

Risk Factors Comparison 2025-04-23 to 2024-04-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

In addition to information discussed elsewhere in this Form 10-K, you should carefully consider the following factors, as well as additional factors not presently known to us or that we currently deem to be immaterial, which could materially affect our business, liquidity, financial condition, and / or results of operations in future periods. **These factors, some of which have occurred and / or are occurring, and any of which could occur in the future, are not the only ones we face.** The following factors are organized under relevant headings; however, they may be relevant to other headings as well. Strategic Risks

Potential ~~decline~~ **declines** in the consumption of products we sell; dependence on sales of our Mexican beer brands Our business depends upon consumers' consumption of our beer, wine, and spirits brands, and sales of our Mexican beer brands in the U.S. ~~are a significant portion~~ **represent the vast majority** of our business. Consumer preferences, behaviors, perception, and sentiment may shift due to a variety of factors, including changes in taste preferences and leisure, dining, and beverage purchasing and consumption patterns, **U.S. demographic trends**, trends involving ~~demographics~~ **environmental sustainability** and **ESG-CSR** matters, changing market dynamics, including consumer-led premiumization, **moderation**, and betterment trends, pricing considerations, perceived value, branding and, marketing, and reputational considerations, **geopolitical tensions, and other negative trends impacting our products, business, and the beverage alcohol industry.** Further, a limited or general decline in consumption in one or more of our product categories **has occurred before and** could occur **again** in the future due to a variety of factors, including: • **reduced consumer discretionary income, subdued overall consumer spending, and value-seeking behavior among consumers as well as elevated unemployment;** • **new or increased tariffs, import and excise duties, or other taxes on or impacting beverage alcohol products, including raw and packaging materials;** • **uncertainty, instability, or** a general decline in economic or geopolitical conditions; • **impacts from inflation, including the impact of reduced consumer spending and increased costs, such as for commodities;** • **consumer spending shifts, including to other consumer discretionary sectors, such as online gambling** income of consumers available to purchase our products and increased commodities and other costs; • concern about the health consequences of consuming beverage alcohol products, including **moderation and** betterment trends **and the impacts of alcohol-related health warning recommendations, such as cancer risk warnings**, and about drinking and driving or other safety considerations; • reduced consumption of beverage alcohol products, including as a result of stricter laws, **such as those** relating to consumption or driving while under the influence of alcohol, or resulting from **consumer dietary preference changes**, weight loss regimens and pharmaceuticals, including GLP-1 drugs, **or consumers substituting legalized cannabis or hemp-derived or other similar products in lieu of beverage alcohol;** • **increased activity from governmental entities, anti-alcohol groups, or other bodies, such as the World Health Organization and the former U.S. Surgeon General, advocating measures or guidelines designed to reduce or eliminate the consumption of beverage alcohol products or require more stringent labeling or warning requirements;** • **possible restrictions on beverage alcohol advertising and marketing;** • **increased regulation restricting the purchase or consumption of beverage alcohol products;** • **changes in immigration laws, regulations, policies, and enforcement impacting consumers, particularly Hispanic consumers;** • **the inability of our wine and spirits business to become a global, omni-channel competitor as well as ongoing wine category headwinds and continued inventory destocking by retailers; or** • **wars or military conflicts, disease outbreaks or pandemics, quarantines, weather, and natural or man-made disasters, including wildfires, droughts, floods, extreme heat, and / or late frosts.** If these or any other factors cause or continue to cause a decline in the growth rate, amount, or profitability of sales of our Mexican beer brands in the U.S. or any material shift in consumer preferences, behaviors, perception, and sentiment in our major markets away from our beer, wine, and spirits brands, and our Mexican beer brands in particular, or from the categories in which they compete, or if our financial or operational

Constellation Brands, Inc. FY 2024-2025 Form 10-K # WORTHREACHINGFOR I 13 PART ITEM 1A 22 → increased activity from governmental entities, anti-alcohol groups, or other bodies, such as the World Health Organization, advocating measures or guidelines designed to reduce the consumption of beverage alcohol products or require more stringent labeling; • increased excise or other taxes on beverage alcohol products and possible restrictions on beverage alcohol advertising and marketing; • increased import and excise duties, other taxes, or tariffs on or impacting beverage alcohol products; • increased regulation restricting the purchase or consumption of beverage alcohol products; • the inability of our wine and spirits business to become a global, omni-channel competitor; and • wars, disease outbreaks or pandemics, quarantines, weather, and natural or man-made disasters. **RISK FACTORS forecasts turn out to be inaccurate** If these or any other factors cause a decline in the growth rate, amount, or profitability of our sales of the Mexican beer brands in the U.S. or any material shift in consumer preferences, behaviors, perception, and sentiment in our major markets away from our beer, wine, and spirits brands, and our Mexican beer brands in particular, or from the categories in which they compete, it could adversely affect our business, liquidity, financial condition, and / or results of operations. Acquisition, divestiture, investment, and NPD strategies and activities From time to time, we acquire businesses, assets, or securities of companies that we believe will provide a strategic fit with our business. We integrate acquired businesses with our existing operations; our overall internal control over financial reporting processes; and our financial, operations, and information systems. If the financial performance of our business, as supplemented by the assets and businesses acquired, does not meet our expectations, it may make it more difficult for us to service our debt obligations and our results of operations may fail to meet market expectations **or otherwise be adversely affected.** We may not effectively assimilate the business or product offerings of acquired companies into our business or within

the anticipated costs or timeframes, retain key customers and suppliers or key employees of acquired businesses, or successfully implement our business plan for the combined business. In addition, our final determinations and appraisals of the estimated fair value of assets acquired and liabilities assumed in our acquisitions may vary materially from earlier estimates and we may fail to fully realize anticipated cost savings, growth opportunities, or other potential synergies. The fair value of acquired businesses or investments may not remain constant. We also divest businesses, assets, or securities of companies from time to time, including those that we believe no longer provide a strategic fit with our business, **such as the pending 2025 Wine Divestitures Transaction**. We **have provided and in the future** may provide various indemnifications in connection with divestitures of businesses or assets. Divestitures of portions of our business **have also resulted and** may **also continue to** result in costs stranded in our remaining business. Delays in developing or implementing plans to address such costs could delay or prevent the accomplishment of our financial objectives, **and we may be unsuccessful in partially or fully mitigating such costs. The failure to complete any planned divestitures may also result in negative business and financial results**. The amount of contingent consideration, if any, received in divestitures may also vary based on various factors, including actual future brand performance. We have **also** acquired or retained ownership interests in companies which we do not control, such as our joint venture to operate the Glass Plant, our interest in Canopy, and investments made through our corporate venture capital function; and we have acquired control of companies which we ~~do did~~ not wholly own. **We have also acquired full ownership of companies that we partially owned**, such as our ~~majority~~ **acquisitions of the remaining ownership interest interests** in **Austin Cocktails, My Favorite Neighbor, and Nelson's Green Brier Distillery, LLC**. **These types of transactions could occur again in the future**. Our joint venture partners or the other parties that **hold or may** hold the remaining ownership interests in companies which we do not control may at any time have economic, business, or legal interests or goals that are inconsistent with our goals or the goals of the joint ventures or those companies. Our joint venture arrangements and the arrangements through which we acquired or hold our other equity or membership interests **may often** require us to, among other matters, pay certain costs, make capital investments, fulfill alone our joint venture partners' obligations, or purchase other parties' interests. The entities in which we have an interest **have been and** may **continue to** be subject to litigation which may have an adverse impact on their ability to do business or under which they may incur costs and expenses which could have a material adverse impact on their operations or financial condition which, in turn, could negatively impact the value of our investment. In addition, our continued success depends, in part, on our ability to develop new products. The launch and ongoing success of **NPDs new products** are inherently uncertain, especially with respect to consumer appeal and our ability to deliver optimized marketing in an evolving and dynamic media landscape, including through **existing and** emerging digital technologies, such as AI and data analytics. A new product launch can give rise to a variety of costs. An **unsuccessful launch can, among other things, affect consumer perception of existing brands and our reputation. Unsuccessful implementation or short-lived popularity of our product innovations has resulted and may in the future result in inventory write-offs and other costs. We may not complete acquisitions, divestitures, or investments on our expected terms, conditions, and timetables, and we may not realize the expected benefits of acquisitions, divestitures, investments, or NPD. We have recognized significant impairment losses and / or write-offs in connection with acquired and divested businesses and investments, such as our recent Wine and Spirits and Canopy-related impairments, and we may do so again in the future. Furthermore, our acquisitions, investments, or joint ventures may not be profitable, our** Constellation Brands, Inc. FY 2024-2025 Form 10-K # WORTHREACHINGFOR I 14 23 **unsuccessful launch, among other things, can affect consumer perception of existing brands and our reputation. Unsuccessful implementation or short-lived popularity of our product innovations has resulted and may in the future result in inventory write-offs and other costs. We may not realize the expected benefits of acquisitions, divestitures, investments, or NPDs. We have recognized impairment losses and / or write-offs in connection with acquired and divested businesses and investments, and we may do so again in the future. Furthermore, our acquisitions, investments, or joint ventures may not be profitable, our** forecasts regarding acquisition, divestiture, or investment activities may not be accurate, or the internal control over financial reporting of entities which we must consolidate as a result of our investment activities but do not control or wholly own may not be as robust as our internal control over financial reporting. Our failure to adequately manage the risks associated with acquisitions, divestitures, investments, or ~~NPDs~~ **NPD**, or the failure of an entity in which we have an equity or membership interest, could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Dependence upon trademarks and proprietary rights; failure to protect our intellectual property rights Our future success depends significantly on our ability to protect our current and future brands and products and to defend our intellectual property rights. We have been granted numerous trademark registrations and use certain trademarks under license covering our brands and products, and we have filed, and expect to continue to file or have filed on our behalf, trademark applications seeking to protect newly developed brands and products. We cannot be sure that trademark registrations will be issued with respect to any ~~of~~ such trademark applications. We could also, ~~by omission,~~ fail to timely renew or protect a trademark, and our competitors could challenge, invalidate, or circumvent any existing or future trademarks issued to, or licensed by, us. Our subsidiaries ~~CB Brand~~ **We have been** Brand **and may continue to be subject to litigation related to** Strategies, LLC, Crown Imports LLC, and Compañía Cervecería de Coahuila, S. de R.L. de C.V. were named as defendants in a lawsuit originally filed in U.S. District Court -- **our** for the Southern District of New York on February 15, 2021, and most recently amended on March 16, 2022, by Cervecería Modelo de México, S. de R.L. de C.V. and Trademarks Grupo Modelo, S. de R.L. de C.V., captioned Cervecería Modelo de México, S. de R.L. de C.V., et al. v. CB Brand Strategies, LLC, et al., Case No. 21 Civ. 01317-LAK (S.D.N.Y.). The plaintiffs alleged, among other things, that our sub-license of the trademarks for our Mexican beer brands should not permit us to use the Corona brand name on our Corona Hard Seltzer or the Modelo brand name on our Modelo Ranch Water. On August 5, 2022, both the plaintiffs and the defendants filed motions for summary judgment. On November 3, 2022, the court denied our motion for summary judgment. On December 13, 2022, the court denied plaintiffs' motion for summary judgment. At a trial in March 2023, the jury returned a unanimous verdict in our favor on all

counts in the plaintiffs' complaint, and the court entered judgment dismissing the complaint on March 15, 2023. On April 12, 2023, the plaintiffs filed a motion for judgment as a matter of law or, in the alternative, for a new trial with the court, which motion was denied on April 14, 2023. On May 12, 2023, the plaintiffs filed a notice of appeal to the U.S. Court of Appeals for the Second Circuit from the final judgment entered in the above-captioned case, rulings and orders incorporated in, antecedent to, or ancillary to that final judgment, and the district court's order denying the plaintiffs' motion for judgment as a matter of law or, in the alternative, for a new trial in that action. The appeal is captioned *Cerveceria Modelo de México, S. de R. L. de C. V., et al. v. CB Brand Strategies, LLC, et al.*, Case No. 23-810 (2d Cir.). The plaintiffs' principal brief was filed on August 22, 2023, which appealed the district court's order denying the plaintiff's motion for summary judgment, an **and intellectual property rights** evidentiary ruling, and the district court's instructions to the jury. Our response brief was filed on November 21, 2023, and the plaintiffs' reply brief was filed on December 12, 2023. Oral argument was conducted before the Second Circuit on March 12, 2024. On March 25, 2024, the Second Circuit issued an order affirming the judgment of the district court, including affirming the denial of the plaintiffs' motion for summary judgment, affirming the district court's evidentiary ruling, and rejecting the plaintiffs' challenges to the district court's instructions to the jury. While we continue to believe this lawsuit is without merit, litigation **Litigation** is inherently unpredictable and subject to substantial uncertainties and unfavorable developments and resolutions could occur. In addition, our **the amount of time and cost of to defending--- defend ourselves** this litigation has been and could continue to be substantial. If we are not successful, we may not be able to market Corona Hard Seltzer in its current formulation under the Corona brand name or Modelo Constellation Brands, Inc. FY 2024 Form 10-K # WORTHREACHINGFOR I 24 Ranch Water product in its current formulation under the Modelo brand name and we may be required to pay damage awards, each of which may have an adverse effect on our business, liquidity, financial condition and / or results of operations. We have been and may continue to be subject to other litigation related to our trademarks and intellectual property rights. A substantial adverse judgment or other unfavorable resolution of these matters or our failure to otherwise protect our intellectual property rights as well as the costs associated with such activities could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Damage to our reputation The success of our brands depends upon consumer perception, including having a positive image of those brands, and maintaining a good reputation is critical to selling our branded products. Our reputation could also be impacted negatively by public perception, adverse publicity (whether or not valid, such as the similarity of the name of certain of our brands or trademarks and a type of virus), negative comments or campaigns in social media **or other public forums**, or our responses relating to, among other things: • a perceived or actual failure to maintain high ethical standards and responsible operating practices to achieve our business goals; • perceptions **and demands** toward, and **publicity surrounding or** our performance related to, our **ESG environmental sustainability** and **DEI-CSR** strategies, initiatives, and targets, **commitments, and aspirations, including impacts of advocacy, protests, boycotts, and similar activities**, as well as associated reporting regulations, standards, frameworks, and ratings; • a perceived or actual failure to address concerns relating to the quality, safety, or integrity, **or health aspects** of our products, including from accidental or deliberate contamination or tampering; • actions we may take to enhance or safeguard our reputation and uphold our core values, including changes to our operations, sales, advertising, marketing, and **NPD new product development**; • allegations that we, or persons currently or formerly **employed by or** associated with us, have allegedly or actually violated applicable laws or regulations, including those related to safety, employment, discrimination, harassment, whistleblowing, privacy, corporate citizenship, improper business practices, or cybersecurity, or have otherwise engaged in negatively perceived activities; • **marketing our or advertising environmental impact**, including use of agricultural materials **such as in social media**, packaging, water **that results in our products having** and **an energy use, and waste management unintended association with or appearance near contentious content**; • investors, **activist-activists groups, influencers**, or other stakeholders seeking to influence our business, strategies, operations, and products; • **geopolitical tensions and associated negative impacts on our products and business**; • **our environmental impact, including the use of agricultural materials, water, and energy, packaging, and waste management**; • our investment in **Canopy** and our association with a cannabis business; or • efforts that are perceived as insufficient to promote the responsible use of alcohol or cannabis. **Various stakeholders have expressed widely divergent views on environmental sustainability, social, human capital, and governance-related matters, among others, and we are faced with conflicting expectations and regulations regarding such matters which has inhibited and may continue to inhibit our ability to achieve a Constellation Brands, Inc. FY 2025 Form 10-K # WORTHREACHINGFOR I 15 consistently positive perception across our entire stakeholder base.** Failure to comply with applicable laws and regulations, maintain an effective system of internal controls, provide accurate and timely financial **statement** information, or protect our information systems against service interruptions, **theft, or** misappropriation of data, or breaches of security, could also hurt our reputation. Damage to our reputation or loss of consumer confidence in our products for any of these or other reasons could result in decreased demand for our products and could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations, as well as require additional resources to rebuild our reputation, competitive position, and brand equity and renew investor confidence. Competition We operate in a highly competitive **and constantly evolving** industry, and our sales and profitability **have been and could continue to** be negatively affected by numerous factors, including: • our inability to maintain or increase prices or develop **successful** new products; • increases in our advertising or marketing expenditures to maintain our competitive position; • our inability to adopt or effectively deploy **existing, new**, and **/ or** emerging technologies; • new **or emerging** entrants in our market or categories, including from the convergence of beverage categories **or from the participation and expansion of large, non-alcoholic beverage companies, some of which have greater resources than we do, into the beverage alcohol space**; • the consolidation of distributors, wholesalers, retailers, suppliers, and other beverage companies; • the decision of wholesalers, retailers, or consumers to purchase competitors' products instead of ours **;- , including due to competitive pricing pressures; • pricing**, purchasing, financing, **operational- operating**, advertising, or promotional **and**

shelf space decisions made by wholesalers, state and local agencies, and retailers as well as in DTC channels which may affect supply of or consumer demand for our products; • a general decline in beverage alcohol consumption or changes in consumer preferences away from our products Constellation Brands, Inc. including due to consumer dietary preference changes, weight loss regimens, pharmaceuticals, or consumers substituting legalized cannabis or hemp-derived or other similar products in lieu of beverage alcohol; or • consumer spending shifts, including to other consumer discretionary sectors, such as online gambling. FY Our continued success also depends on our ability to attract and retain a high-quality and inclusive workforce in a competitive environment for talent and to implement our human capital strategy, priorities, and initiatives. We could experience higher expenses to deliver on our human capital strategy, priorities, and initiatives, such as for investment in our personnel, including due to employee turnover, wage inflation, and / or other current or emerging employment trends, particularly in the U.S., to defend ourselves in investigations or against existing or new litigation, or for other reasons. We may be unable to increase our prices to pass along any increased costs we incur to our customers. Operational Risks could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Economic and other uncertainties associated with our international operations We have production facilities in the U. S., Mexico, New Zealand, and Italy and employees in various countries, and our products are sold in numerous countries. The countries in which we operate impose duties, excise taxes, and / or other countries taxes on beverage alcohol products, which could continue and / or on certain raw materials used to produce alter the global trade environment. Constellation Brands, Inc. FY 2025-2024 Form 10- K # WORTHREACHINGFOR I 46-18 our beverage alcohol products, in varying amounts. Governmental bodies may propose changes to international trade agreements, treaties, tariffs, taxes, and other government rules and regulations including but not limited to environmental treaties and regulations. Significant new or increased increases in tariffs, import and excise duties, or other taxes on or impacting beverage alcohol products as well as any tariffs, including raw and packaging materials, particularly on imports from Mexico, Italy, and New Zealand, and any additional retaliatory tariffs imposed by those governments on product imports from the Mexican government U.S., could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Meanwhile, escalating geopolitical tensions and trade disputes, have resulted and may continue to result in additional sanctions, tariffs, and import- export restrictions, boycotts, or trade wars. These activities, when combined with any retaliatory actions that have or may be taken by other countries, have impacted and could cause continue to pose a significant risk to our business as well as the global economy, such as by shifting consumer behaviors, inhibiting sales, increasing costs, causing further inflationary pressures and economic and supply chain disruptions (including impacts on prices and supply of certain commodities, such as aluminum, corn, crude oil, natural gas, and steel) and inflationary pressures, and reducing economic activity. The extent and duration of tariffs and the resulting impacts on general economic conditions; stock, credit, and capital market volatility; and our business are uncertain and depend on various factors, many of which are out of our control. In addition, governmental agencies extensively regulate the beverage alcohol products industry concerning such matters as licensing, warehousing, trade and pricing practices, permitted and required labeling, advertising, and relations with wholesalers and retailers. Certain regulations also require warning labels and signage. We may be subject to new or revised regulations, increased licensing fees, requirements, or taxes, or regulatory enforcement actions, or longer review periods for applicable regulatory approvals. Additionally, various jurisdictions may seek to adopt significant additional product labeling or warning requirements, limitations, or guidelines on the marketing or sale of our products because of what our products contain or allegations that our products cause adverse health effects. If these types of requirements become applicable to one or more of our major products under current or future laws or regulations, they may inhibit sales of such products or increase our costs. These uncertainties and changes, as well as the decisions, policies, and economic strength of our suppliers and distributors, Supply of quality water, agricultural, and other raw materials, certain raw and packaging materials purchased under supply contracts; supply chain disruptions and inflation other factors; limited group of certain glass bottle suppliers The quality and quantity of water available for use is important to the supply of our agricultural raw materials and our ability to operate our business. Water is a limited resource in many parts of the world. If climate patterns change and droughts continue or become more severe or other restrictions on currently available water resources are imposed, there may be a scarcity of water or poor water quality which may affect our and our suppliers' operations, increase production costs, or impose capacity constraints. We are dependent on sufficient amounts of quality water for operation of our breweries, wineries, and distilleries, as well as to irrigate our vineyards and conduct our other operations. The suppliers of the agricultural raw materials we purchase are also dependent upon sufficient supplies of quality water for their vineyards and fields. In addition, water purification and waste treatment infrastructure limitations could increase costs or constrain operations at our production facilities and vineyards. A substantial reduction in water supplies could result in material losses of grape crops and vines or other crops, such as corn, barley, or hops, or grapes as well as grape vines which could lead to a shortage of our product supply. We have substantial brewery operations in Mexico and substantial wine operations in the U. S. (primarily in California), New Zealand, and Italy as well as brewery and distillery operations in the U. S. Although certain areas in California have recently experienced flooding, the state has endured and may continue to experience prolonged drought conditions which have resulted in the imposition of certain restrictions on water usage and which could recur. Over the last several years, certain areas of California have also experienced wildfires and flooding. If these conditions or restrictions persist and / or increase in severity, it could have an adverse effect upon those operations. Our The water supplies for our current Mexican breweries are each, and the Veracruz Brewery will be, which sourced from a single water supply originating originate from separate and distinct aquifers, are subject to disruption which could impact our ability to produce our products. The sources of water, methods of water delivery, water quality, or water requirements-needs to support our ongoing requirements may change materially in the future. We may incur additional expenses for improving water delivery, quality, and efficiency as well as for securing additional water sources. Our breweries, the Glass Plant, our wineries, and our distilleries use a large volume of agricultural and other raw

materials to produce our products. These include corn starch and sugars, malt, hops, fruits, yeast, and water for our breweries; soda ash and silica sand for the Glass Plant; grapes and water for our wineries; and grain **Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 17** and water for our distilleries. Our breweries, wineries, and distilleries all use large amounts of various packaging materials, including glass, aluminum, cardboard, and other paper products. Our production facilities also use electricity, natural gas, and diesel fuel in addition to renewable energy sources in their operations. Certain raw materials and packaging materials are purchased under contracts of varying maturities. The supply, on- time availability, and price of raw, packaging, and other materials, energy, and other commodities have been and may continue to be affected by many factors beyond our control, including economic factors, **tariffs**, supply chain disruptions, inflationary pressures, market demand, global geopolitical events and military conflicts, **droughts, storms, weather events** , or natural or man- made disasters , **including droughts, storms, and wildfires** , plant diseases, and theft. Our breweries, wineries, and distilleries are also dependent upon an adequate supply of glass bottles. **Glass bottle costs are one of our largest components of cost of product sold. The Glass Plant produces a majority of the total annual glass bottle supply for our Mexican beer brands, and we have a small number of other suppliers of glass bottles for our Mexican beer brands.** At times, we have experienced glass bottle purchasing shortages , particularly for brown glass used for certain of our Mexican beer brands. Glass bottle costs are one of our largest components of cost of product sold. The Glass Plant produces a majority of the total annual glass bottle supply for our Mexican beer brands, and we have a small number of other suppliers of glass bottles for our Mexican beer brands. Meanwhile, we have two aluminum can suppliers that provide all of our total annual requirements for our Mexican beer brands, with one of those suppliers providing a majority of such aluminum can requirements. In the U. S., glass bottles have only a small **number** **Constellation Brands, Inc. FY 2024 Form 10- K # WORTHREACHINGFOR I 17 PART ITEM 1A. RISK FACTORS** number of producers. Currently, one producer supplies a majority of our glass container requirements for our U. S. wine and spirits operations. To the extent any of the foregoing factors impact our business or operations, including by (i) increasing the costs of our products and we are unable or choose not to pass along such rising costs to consumers through increased selling prices ; (ii) leading to a shortage of our product supply or inventory levels ; or (iii) requiring unplanned diversions of funds, resources, and talent to address such factors, we could experience a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Reliance upon complex information systems and third- party global networks; cybersecurity; AI We depend on IT to enable us to operate efficiently and interface with customers **and** , suppliers , **and consumers** , maintain financial accuracy and efficiency, and effect accurate and timely governmental reporting , **among other activities** . If we do not allocate and effectively manage the resources **necessary** to build and sustain **appropriate the proper** technology infrastructure, including our global enterprise resource planning system **and our planned unified finance platform implementation** , we could be subject to transaction **or data integrity** errors, processing inefficiencies, increased costs, loss of customers, business disruptions, loss of or damage to intellectual property **or proprietary information, including** through a security breach, penalties associated with the failure to timely file governmental reports, and / or other difficulties. Many groups on a worldwide basis have experienced increases in electronic security breaches, cyberattacks, and other hacking activities such as **phishing attacks**, denial of service, malware, **and ransomware** , **and cyber extortion** , and there is the possibility of retaliatory cyberattacks, including by state- sponsored organizations. As with all large IT systems, we have been a target of cyberattackers and other hacking activities and our systems could be penetrated by increasingly sophisticated **parties external or internal threat actors** (including through the use of **existing and** emerging **technologies, such as** AI technologies) intent on extracting confidential or proprietary information, corrupting our information, disrupting our business processes, engaging in the unauthorized use of strategic information about us or our employees, customers, or consumers, or demanding monetary payment. Such unauthorized access could disrupt our operations and result in various costs and adverse consequences, including the loss of assets **or revenues**, **decreased sales** , litigation, regulatory actions, remediation costs, increased cybersecurity protection costs, damage to our reputation, harm to our employees, or the failure by us to retain or attract customers **or consumers** following such an event. We have outsourced various functions to third- party service providers and may outsource other functions in the future. We rely on such third- parties to provide services on a timely and effective basis, but we do not ultimately control their performance. In addition, our distributors, wholesalers, suppliers, joint venture partners, and other external business partners utilize their own IT systems that are subject to similar risks to us as described above. Their failure to perform as expected or as required by contract, or additional cyberattacks on them that disrupts their systems, could result in significant disruptions and costs to our operations or, in the case of third- party service providers, a penetration of our systems. The **swift pace of technological change has led to a nonuniform and complex set of cybersecurity and data privacy laws, regulations, and standards. Meanwhile, the** recent proliferation and rapid evolution of AI **Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 18** technologies, including generative AI **and machine learning** , has resulted in new challenges, including business, **legal and** regulatory, and ethical considerations , and **uncertainty. For example, the use of AI technologies without adequate safeguards could produce flawed or inaccurate recommendations, suggestions, or outcomes or other unintended results or potential vulnerabilities or expose us to liability or adverse legal or regulatory consequences. AI technologies** may also intensify the risk of **cyberattackers-threat actors** using such technologies to enhance their capabilities. We have implemented a governance framework that includes policies and processes to address the use of AI technologies , **primarily focused on generative AI**, by our employees and third- party service providers. Nevertheless, our employees and third- party service providers may not follow our governance framework, including if such providers incorporate AI technologies into their products or systems without disclosing this use to us. **This** **We expect that our continued success will depend, in part, on our and our third- party service providers' ability to continue to effectively leverage existing and emerging technologies, such as AI and data analytics, to gain relevant insights and enhance our business. These circumstances** may create risks in our ability to address existing or rapidly developing regulatory or industry standards related to AI technologies **and data privacy and to successfully and responsibly**

utilize AI technologies. To the extent any of the foregoing factors result in significant disruptions and costs to our operations, **fail to produce the anticipated benefits**, compromise confidential or sensitive information, imperil our intellectual property, result in harm to our reputation and the public perception of the effectiveness of our IT systems and cybersecurity measures, **result in litigation or regulatory actions**, and / or reduce the effectiveness of our internal control over financial reporting, it **could have a material adverse effect on..... strength of our suppliers and distributors**, could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Dependence on limited facilities for production of our Mexican beer brands; facility expansion, optimization, and construction activities We are dependent on our current Mexican breweries to fulfill our Mexican beer brands' production requirements, both now as well as for the near- term. Expansion, optimization, and / or construction activities continue at our breweries in Mexico. These are multi- billion- dollar activities with risks of completion delays, cost overruns, and asset impairments, such as the prior impairment of certain long- lived assets at the canceled Mexicali Brewery. We may not achieve the intended financial and operational benefits of these investments, including if we develop excess capacity that outpaces demand for our Mexican beer brands. ~~We are pursuing the sale of the remaining assets at the Mexicali Brewery after exploring various options; however, we may not be successful in completing any such sale or obtaining other forms of recovery.~~ Expansion and optimization of current production facilities and construction of new production facilities are subject to various regulatory and developmental risks, including but not limited to: ~~(i)~~ our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies ~~at all or~~ on terms that are acceptable to us **or at all**; ~~(ii)~~ potential changes in federal, state, and local laws and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; ~~(iii)~~ our inability to acquire rights- of- way or land or water rights on a timely basis on terms that are acceptable to us; or ~~(iv)~~ our inability to acquire the necessary energy supplies, including electricity, natural gas, and diesel fuel. Any of these or other unanticipated events could halt or delay the expansion, optimization, or construction of our production facilities. We may not be able to satisfy our product supply requirements for our Mexican beer brands in the event of ~~(i)~~ a significant disruption **at** or the partial or total destruction of the current Mexican breweries or the Glass Plant ; ~~(ii)~~ difficulty shipping **and / or warehousing** raw materials and product into, within, **and /** or out of the U. S. or Mexico, including in the event of rail **or other freight** shipping disruptions with our major ~~provider~~ **providers** in each country ; ~~(iii)~~ a temporary inability to produce our product due to closure or lower production levels of one or more of our current Mexican breweries. A prolonged closure or restriction of the border between the U. S. and Mexico, particularly at key product and supply crossing points, could result in temporary or longer- term disruptions of sales, consumption, and trade patterns, supply chains, production processes, and / or operations. Also, if the contemplated expansion, optimization, and / or construction activities at our breweries in Mexico are abandoned or not otherwise completed by their targeted completion dates, we may not be able to produce sufficient quantities of our Mexican beer to satisfy our needs in ~~Constellation Brands, Inc. FY 2024 Form 10- K # WORTHREACHINGFOR I 19~~ the future. Under such circumstances, we may be unable to obtain our Mexican beer at a reasonable price from another source, if at all. A significant disruption at our current Mexican breweries, or the Glass Plant, even on a short- term basis, could impair our ability to produce and ship products to market on a timely basis. Alternative facilities with sufficient capacity or capabilities may not readily be **Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 19** available, may cost substantially more, or may take a significant time to start production, any of which could have a material adverse effect on our product supply, business, liquidity, financial condition, and / or results of operations. Operational disruptions or catastrophic loss to breweries, wineries, other production facilities, or distribution systems All of our Mexican beer products are produced at our current Mexican breweries. Many of the workers at these breweries are covered by collective bargaining agreements. The Glass Plant produces a majority of the total annual glass bottle supply for our Mexican beer brands. Several of our vineyards and production and distribution facilities, including certain California and Oregon wineries, are in areas prone to seismic activity. Additionally, we have various vineyards and wineries in California and Oregon which have experienced wildfires, landslides, and / or severe winter storms. If any of these or other of our properties and production facilities were to experience a significant operational disruption or catastrophic loss, it could delay or disrupt production, shipments, and sales, and result in potentially significant expenses to repair or replace these properties or find suitable alternative providers. Also, our production facilities are asset intensive. As our operations are concentrated in a limited number of production and distribution facilities, we are more likely to experience a significant operational disruption or catastrophic loss in any one location from acts of war or terrorism, natural or man- made disasters, public health crises, labor strikes or other labor activities, cyberattacks and other attempts to penetrate our or our third- party service providers' IT systems or the IT used by our non- production employees who work remotely, or unavailability of raw or packaging materials. We may be impacted by increases in global energy prices or reduced supply, particularly for crude oil and natural gas, including as a result of geopolitical events and military conflicts. If a significant operational disruption or catastrophic loss were to occur, we could breach agreements, our reputation could be harmed, and our business, liquidity, financial condition, and / or results of operations could be adversely affected by, among other items, higher maintenance charges, unexpected capital spending, or product supply constraints. Our insurance policies do not cover certain types of catastrophes and may not cover certain events such as pandemics. Economic conditions and uncertainties in global markets may adversely affect the cost and other terms upon which we are able to obtain **insurance coverage, including for** property damage and business interruption ~~insurance~~. If our insurance coverage is adversely affected, or to the extent we have elected to self- insure, ~~we there~~ may be ~~at~~ greater risk that we may experience an adverse impact to our business, liquidity, financial condition, and / or results of operations: **Severe weather and natural or man- made disasters; Climate- climate** change; **ESG environmental sustainability and CSR- related** regulatory compliance; failure to meet **environmental sustainability emissions, stewardship, and CSR** other- ESG- targets , **commitments, and aspirations** Our business depends upon agricultural activity and natural and human capital resources. There has been much public discussion related to concerns that GHGs may have an adverse impact on global temperatures, weather patterns, and the frequency and severity of extreme weather and natural

disasters. Severe weather events and natural disasters, such as our experiences with **wildfires**, drought, **and / or** flooding, ~~and / or wildfires~~ in California and Oregon, severe winter storms in California, Texas, or Mexico, or late frosts or flooding in New Zealand, and climate change may negatively affect agricultural productivity in the regions from which we source our various agricultural raw materials or the energy powering our production facilities. Decreased availability of our raw materials may increase our cost of product sold. Severe weather events and natural **or man-made** disasters or changes in their frequency or intensity can also impact product quality; disrupt our supply chains, which may affect production operations, insurance cost and coverage, and delivery of our products to wholesalers, retailers, and consumers; and negatively affect the ability of consumers to purchase our products. The landscape related to **ESG environmental sustainability and CSR-related** regulation, compliance, and reporting is constantly evolving, including **expanding-changing** in scope and complexity. For example, the **SEC and the European Commission and the SEC** have promulgated ~~final~~ rules that would require significantly increased disclosures related to climate change, although **each body has taken subsequent actions to limit or abandon their rules, such as the European Commission's adoption of a package of proposals to simplify and delay various European Union rules and the SEC's** ~~has issued an order to stay of~~ **the effectiveness of its rules and its withdrawal of its defense of the rules in the** pending the completion of judicial review of multiple petitions challenging the rules. We may experience significant future increases in the costs associated with regulatory compliance for ESG matters, including fees, licenses, personnel, consultants, reporting, and the cost of capital improvements for our operating Constellation Brands, Inc. FY 2024 2025 Form 10- K # WORTHREACHINGFOR I 20 **litigation in the U. S. Court of Appeals for the Eighth Circuit. Meanwhile, various stakeholders, including governmental bodies, have increasingly expressed or pursued opposing views, sentiments, policies, legislation, and investment expectations with respect to environmental sustainability, social, human capital, and similar initiatives. We may experience significant future increases in the costs associated with environmental sustainability and CSR-related matters, including fees, licenses, personnel, consultants, reporting, and the cost of capital improvements for our operating** facilities to meet environmental regulatory requirements, ~~as well as to address other regulations, standards, frameworks, and ratings~~, **and activities** from various governmental entities and other stakeholders, **in or our ongoing handling of investor, activist, or influencer activities and campaigns, and / or in the event of investigations or litigation related to such matters**. We have disclosed various **ESG-related targets in these areas**, including on restoration of water withdrawals, ~~Scope 1 and Scope 2-GHG emissions, enhancing social equity within our industry and communities~~, waste reduction, and circular packaging, and we may disclose new or updated **ESG-related targets or aspirations in these areas** in the future. The achievement of such targets **or aspirations** along with our broader value chain engagement efforts have required and will continue to require us and in some cases third parties with which we do business, such as our suppliers, to make investments and allocate resources. In addition, we may be party to various environmental remediation obligations arising in the normal course of our business or relating to historical activities of businesses we acquire. Due to regulatory complexities, governmental or contractual requirements, uncertainties inherent in litigation, and the risk of unidentified contaminants at our current and former properties, the potential exists for remediation, liability, indemnification, and other costs to differ materially from the costs that we have estimated. We may also incur costs associated with environmental compliance arising from events we cannot control, such as natural **or man-made** disasters. We may not allot sufficient resources to attain, may not ultimately achieve, **may be unable to satisfy all stakeholders regarding**, and / or may be subject to **government enforcement actions, fines, proceedings**, or litigation related to our **ESG targets and aspirations**, and our costs in relation to any of the foregoing matters may exceed our projections, which could have a material adverse effect upon **our business, liquidity, financial condition, and / or results of operations. Even if we achieve our environmental sustainability and CSR targets, commitments, and aspirations, we may not realize all of the benefits that we expected. Cost savings, restructuring, and efficiency initiatives** We are seeking to unlock cost savings through a wide range of initiatives and restructuring actions, including the 2025 Restructuring Initiative, and we may institute additional cost savings, restructuring, and efficiency measures in the future. These cost reduction and efficiency measures include, but are not limited to, **enhancing our organizational efficiency and optimizing expenditures across our organization, such as future opportunities identified across supplier and sourcing optimization, innovation to reduce material and manufacturing costs, and productivity gains across logistics. We may not achieve the anticipated savings or efficiencies from our cost savings, restructuring, and efficiency initiatives. For example, actual charges, costs, and adjustments in connection with these activities may vary materially from our estimates, and events and circumstances, such as financial or strategic difficulties, delays, and unexpected developments, may occur. These activities may also cause potential disruptions to our business or divert management's time and attention from other business priorities. If we are unable to realize all or a portion of the anticipated cost savings or efficiencies, or if we do not realize such savings or efficiencies on our expected timetable, our ability to fund other initiatives and achieve our financial outlook may be adversely affected. The failure to implement our cost savings, restructuring, and efficiency initiatives in accordance with our expectations could have a material adverse effect on** our business, liquidity, financial condition, and / or results of operations. Reliance on wholesale distributors, major retailers, and government agencies Local market structures and distribution channels vary worldwide. Within our primary market in the U. S., we offer a range of beverage alcohol products with generally separate distribution networks utilized for our beer portfolio and our wine and spirits portfolio. In the U. S., we sell our products principally to wholesalers for resale to retail outlets and directly to government agencies. We have an exclusive arrangement with one wholesaler that generates a large portion of our branded U. S. wine and spirits net sales, and we have one wholesaler for our beer portfolio which, through multiple entities, represents one- quarter of our consolidated net sales. Wholesalers and retailers of our products offer directly competing products that vie for retail shelf space, promotional support, and consumer purchases, and wholesalers or retailers may give higher priority to products of our competitors. ~~The Constellation Brands, Inc. FY 2025 Form 10- K #~~ **WORTHREACHINGFOR I 21 Employees of wholesalers or retailers of our products have engaged and may in the**

future engage in labor strikes, other work stoppages, or other labor activities. Such activities or the replacement or poor performance of our major wholesalers, retailers, or government agencies could result in temporary or longer-term sales disruptions **or and** could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Contamination and degradation of product quality from diseases, pests, and weather and other conditions Contamination, whether arising accidentally or through deliberate third-party action, or other events that harm the integrity or consumer support for our brands, could adversely affect sales. Various diseases, pests, fungi, viruses, drought, frosts, wildfires, and certain other weather conditions or the effects of climate conditions, such as smoke taint sustained during the 2020 U. S. West Coast wildfires or the late frost experienced in New Zealand in calendar 2021, could affect the quality and quantity of barley, hops, grapes, and other agricultural raw materials available and decrease the supply and quality of our products. Similarly, power disruptions, such as the outage at our Nava Brewery due to severe winter weather events in **early calendar** 2021, could adversely impact our production processes and the quality of our products. We or our suppliers of agricultural raw materials may not succeed in preventing contamination in existing or future vineyards, fields, or production facilities. Future government restrictions regarding the use of certain materials used in growing grapes or other agricultural raw materials may increase vineyard costs and / or reduce production of grapes or other crops. It is also possible that a supplier may not provide materials or product components which meet our required standards or may falsify documentation associated with the fulfillment of those requirements. Product contamination or tampering or the failure to maintain our standards for product quality, safety, and integrity, including with respect to raw materials, naturally occurring compounds, packaging materials, or product components obtained from suppliers, may also reduce demand for our products or cause production and delivery disruptions. Contaminants or other defects in raw materials, packaging materials, or product components purchased from third parties and used in the production of our beer, wine, or spirits products, or defects in the fermentation or distillation process could lead to low beverage quality as well as illness among, or injury to, consumers of our products and may result in reduced sales of the affected brand or all our brands. **Constellation Brands, Inc. FY 2024 Form 10-K # WORTHREACHINGFOR I 21** If any of our products become unsafe or unfit for consumption, are misbranded, or cause injury, we may have to engage in additional product recalls and / or be subject to liability and incur additional costs. Widespread or multiple product recalls or a significant product liability judgment or regulatory action could cause our products to be unavailable for a period, which could reduce consumer demand and brand equity and result in reputational harm. Outbreaks of communicable infections or diseases, pandemics, or other widespread public health crises **impacting in the markets in which our consumers or, employees live, distributors, retailers,** and / or **in which we or our distributors, retailers, and suppliers operate** Communicable disease outbreaks, including the COVID-19 pandemic, and other widespread public health crises have resulted and in the future could result in disruptions and damage to our business caused by potential negative consumer purchasing behavior and reduced consumption as well as disruption to our supply chains, production processes, and operations. This includes containment actions that restrict consumer purchasing occasions, including from the inability to leave home or otherwise shop in a normal manner, cancellations of public events, venue closures, or capacity restrictions, as well as reductions in consumer discretionary income due to reduced or limited work and layoffs. Supply disruption may result from restrictions on the ability of employees and others in the supply chain to travel and work, including from quarantines, individual illnesses, or border closures imposed by governments to deter the spread of communicable infections or diseases; determinations by us or our suppliers or distributors to temporarily suspend operations in affected areas; or other actions which restrict or otherwise negatively impact our ability to produce, package, and ship our products, our distributors' ability to distribute our products, or our suppliers' ability to provide us with raw, packaging, and other materials. Channels of entry may be closed or operate at reduced capacity, or transportation of product **or materials** within a region or country may be limited. Our operations and the operations of our suppliers may become less efficient or otherwise be negatively impacted if our or their executive management or other key operational personnel are unable to work or if a significant percentage of our workforce is unable to work at all or at their normal production **or other** facility. **Another A future** widespread health crisis **or pandemic conditions** could **once again** negatively affect the economies and financial markets of many countries resulting in a global economic downturn which could negatively impact demand for our **Constellation Brands, Inc. FY 2025 Form 10-K # WORTHREACHINGFOR I 22** products and our ability to borrow money. Any of these events could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Labor activities could increase our costs If our employees were to engage in a labor strike, other work stoppage, or other labor activities, we could experience an operational disruption, incur higher ongoing labor costs, and / or suffer reputational harm, which could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. **Strategic Risks Potential decline in the consumption..... costs we incur to our customers.** Financial and Economic Risks Indebtedness and interest rate fluctuations We have incurred indebtedness to finance investments and acquisitions, refinance other indebtedness, fund beer operations expansion, optimization, and construction activities **and other capital expenditures**, pay cash dividends, and repurchase shares of our common stock, **and fund other general corporate purposes, including working capital.** In the future, we may continue to incur additional indebtedness for any or all of these activities **as well as to fund other general corporate purposes.** We are exposed to risks associated with interest rate fluctuations, and **while the U. S. Federal Reserve has recently been reducing the federal funds rate, we have recently continue to experienced-experience a rising-an elevated** interest rate environment **relative to recent historically low interest rates.** We could experience further changes in our ability to manage fluctuations in interest rates, including for our variable interest rate debt outstanding or if we need to refinance indebtedness. In addition, our business may not generate sufficient cash flow from operations to meet all our debt service requirements, return value to stockholders such as through payment of dividends or **repurchase-repurchases** of shares of our common stock, achieve **or maintain** our target **comparable** net leverage ratio, and fund our general corporate and capital requirements. Our current and future debt service obligations and covenants could have important consequences. These consequences include, or may include, the following: • our ability to obtain financing for future

working capital needs, investments, acquisitions, or other purposes may be limited; • our funds available for operations, expansions, construction, dividends or other distributions, or share repurchases may be reduced because we dedicate a significant portion of our cash flow from operations to the payment of principal and interest on our indebtedness; • our ability to conduct our business could be limited by restrictive covenants; and • our vulnerability to adverse economic conditions may be greater than less leveraged competitors and, thus, our ability to withstand competitive pressures may be limited. Additionally, any failure to meet required payments on our debt, or failure to comply with any covenants in the instruments governing our debt, could result in an event of default under the terms of those instruments and a downgrade to our credit ratings. A downgrade to our credit ratings would increase our borrowing costs and could affect our ability to issue commercial paper **or negatively impact the terms under which we refinance our debt**. Certain of our debt facilities also contain change of control provisions which, if triggered, may result in an acceleration of our obligation to repay the debt. In addition, certain of our ~~current and future~~ debt and derivative financial instruments have, or in the future ~~could have~~, interest rates that are tied to reference rates, such as SOFR. The volatility and availability of such reference rates, including establishment of alternative reference rates, is out of our control. Changes to or the unavailability of such rates or the manner for calculation of such reference rates ~~could~~ result in increases to the cost of our debt. In addition, our 2022 Credit Agreement (i) restricts repayment of the loans under the credit agreement with proceeds derived, directly or indirectly, from Canopy prior to the Specified Time, (ii) restricts the use of proceeds from the loans under our credit agreement, directly or indirectly, for any investment in, transaction with, or to fund the activities of or business with Canopy prior to the Specified Time, and (iii) provides that we will not convert any of our outstanding Exchangeable Shares for Canopy common shares or own any Canopy common shares until the Specified Time. If we do not comply with the obligations contained in our senior credit facility, our existing or future indentures, or other loan agreements, we could be in default under such debt facilities or agreements. In such an event, the holders of our debt could elect to declare as due and payable all amounts outstanding under those instruments. An event of default could also result in events of default under other debt facilities or agreements Constellation Brands, Inc. FY ~~2024~~ **2025** Form 10- K # WORTHREACHINGFOR I ~~26-23~~ that contain cross- acceleration or cross- default provisions, which could permit counterparties thereunder to exercise remedies. If that occurred, we might not have available funds to satisfy our repayment obligations. International operations, worldwide and regional economic trends and financial market conditions, geopolitical uncertainty, or other governmental rules and regulations Risks associated with international operations, any of which could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations, include: • changes in political, economic, social, and labor conditions in U. S., Mexico, and international locales, including as a result of elections, potential government shutdowns, or other events; • potential disruption from wars and military conflicts, terrorism, civil unrest, kidnapping, and drug- related, workplace, or other types of violence; • restrictions on foreign ownership and investments or on repatriation of cash earned in countries outside the U. S.; • import and export requirements and border accessibility; • protectionist trade policies, sanctions, ~~and~~ **tariffs**, **and foreign or domestic legal and regulatory requirements, including those that could result in adverse tax consequences**; • foreign currency exchange rate fluctuations, which may reduce the U. S. dollar value of net sales, earnings, and cash flows from non- U. S. markets or increase our supply chain costs, as measured in U. S. dollars, in those markets; • a less developed and less certain legal and regulatory environment in some countries, which, among other things, can create uncertainty regarding contract enforcement, intellectual property rights, privacy obligations, real property rights, and liability issues; and • inadequate levels of compliance with applicable domestic and foreign anti- bribery and anti- corruption laws, including the Foreign Corrupt Practices Act. Unfavorable global or regional economic conditions, including **trade barriers, tariffs, trade wars**, economic slowdown or recession, instability in the banking sector, and the disruption, volatility, and tightening of credit and capital markets, as well as unemployment, tax increases, governmental spending cuts, or continuing high levels of inflation, could affect consumer spending patterns and purchases of our products. These could also create or exacerbate credit issues, cash flow issues, and other financial hardships for us and our suppliers, distributors, retailers, and consumers. The inability of suppliers, distributors, and retailers to access liquidity could impact our ability to produce and distribute our products. We could also be affected by nationalization of our international operations, unstable governments, unfamiliar or biased legal systems, intergovernmental disputes, or animus against the U. S. or **Mexico, including** products produced in ~~Mexico~~ **those or other countries where we produce our products**. Any determination that our operations or activities did not comply with applicable U. S. or foreign laws or regulations could result in the imposition of fines and penalties, interruptions of business, terminations of necessary licenses and permits, and other legal and equitable sanctions. Class action or other litigation, including relating to **alleged securities law violations**, abuse or misuse of our products, product liability, marketing or sales practices, including product labeling, or other matters **We have been and may continue to be subject to litigation**. There has ~~also~~ **been** public attention directed at the beverage alcohol industry, which we believe is due to concerns related to harmful use of alcohol, including drinking and driving, underage drinking, and health consequences from the misuse of alcohol. ~~We~~ **In addition, we have been and could continue to be exposed to claims or lawsuits relating to product liability or, marketing or sales practices, including product labeling, privacy, website accessibility, and other matters**. With our international operations, we have been and may continue to be subject to risk of a wide variety of other legal claims and proceedings by external parties, employees, and stockholders. **On February 18, 2025, a purported stockholder of the Company filed a putative class action in the United States District Court for the Western District of New York captioned Meza v. Constellation Brands, Inc., et al., Case No. 6: 25- cv- 6107 (W. D. N. Y.). The complaint names as defendants the Company, our President and Chief Executive Officer, and our Executive Vice President and Chief Financial Officer, and asserts claims for alleged violations of Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 24 Sections 10 (b) and 20 (a) of the Exchange Act and Rule 10b- 5 promulgated thereunder arising from allegedly materially false or misleading statements or omissions of purportedly material fact concerning, among other things, the Company's strategies intended to improve the performance of our**

Wine and Spirits business. The complaint seeks, among other relief, alleged damages in an unspecified amount, attorneys' fees, and costs. On March 24, 2025, a purported stockholder of the Company filed a complaint in the United States District Court for the Western District of New York captioned Silva v. Newlands, et al., Case No. 1: 25- cv- 254 (W. D. N. Y.); and on April 21, 2025, a second purported stockholder of the Company filed a complaint in the United States District Court for the Western District of New York captioned Mason v. Newlands, et al., Case No. 1: 25- cv- 00353 (W. D. N. Y.). These derivative complaints each seek to assert claims arising under the Exchange Act and state common law, derivatively on behalf of the Company, against current and former directors and officers of the Company. Neither of the plaintiffs made a pre- suit demand on our Board of Directors, instead each alleging that the pre- suit demand requirement should be excused as purportedly futile. The claims asserted in these derivative complaints arise from substantially the same allegations made in the complaint filed in Meza. Litigation is inherently unpredictable and subject to substantial uncertainties and unfavorable developments and resolutions could occur. In addition, the amount of time and cost to defend ourselves could be substantial. Adverse developments in lawsuits related to such matters as well as the time and costs associated with such activities or a significant decline in the social acceptability of beverage alcohol products or for our products specifically that may result from lawsuits could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. ~~Constellation Brands, Inc. FY 2024 Form 10- K # WORTHREACHINGFOR I 27~~

Intangible assets, such as goodwill and trademarks We have a significant amount of intangible assets such as goodwill and trademarks and may acquire more intangible assets in the future, **and we have recognized significant impairment losses, such as our recent Wine and Spirits impairments.** Intangible assets are subject to a periodic impairment evaluation under applicable accounting standards. ~~A~~ For example, if broader industry and market conditions decline and / or our expectations of future **significant** performance as reflected in our current strategic operating plans are not fully realized, a future impairment of ~~Wine and Spirits goodwill is reasonably possible. A significant write- down~~ of any of our intangible assets could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. Changes to tax laws; fluctuations in our effective tax rate; accounting for tax positions; resolution of tax disputes; changes to accounting standards, elections, assertions, or policies; global minimum tax Changes to federal, state, provincial, local, or foreign tax laws, could result in increased taxes on our products, business, customers, or consumers. Various proposals to increase taxes on beverage alcohol products have been made at the federal and state levels or at other governmental bodies in recent years. Federal, state, provincial, local, or foreign governmental entities may consider increasing taxes upon beverage alcohol products as they explore available alternatives for raising funds, including to offset budget or other deficits. In addition, significant judgment is required to determine our effective tax rate and evaluate our tax positions. Our provision for income taxes includes a provision for uncertain tax positions. Fluctuations in federal, state, local, and foreign taxes, or a change to uncertain tax positions, including related interest and penalties, may impact our effective tax rate and our financial results. When tax matters arise, several years may elapse before such matters are audited and finally resolved. Unfavorable resolution of any tax matter could increase our effective tax rate and resolution of a tax issue may require the use of cash in the year of resolution. U. S. tax changes or changes in how international corporations are taxed, including changes in how existing tax laws are interpreted or enforced, or changes to accounting standards, elections, or assertions as well as our accounting policies could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. For example, the OECD has introduced a framework to implement a global minimum tax rate of 15 %, referred to as Pillar Two. Many jurisdictions in which we do business have started to enact laws implementing, or have draft legislation proposed for adoption to implement, Pillar Two. **We are monitoring these these developments because these** changes, when enacted by the various jurisdictions in which we do business, may significantly increase our taxes in these jurisdictions. ~~Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 25~~

Cash dividends and share repurchases are subject to a number of uncertainties and may affect the price of our common stock Our capital allocation strategy contemplates quarterly cash dividends and periodic share repurchases under our share repurchase program. We **typically** fund our cash dividends and share repurchases through a combination of cash flow from operations, borrowings, and / or divestiture proceeds. However, we are not required to declare dividends or to make any share repurchases under our share repurchase program. We may discontinue, limit, suspend, delay, or increase our dividends and share repurchases at any time without prior notice. Even if not discontinued, the amount of such dividends and repurchases may be changed, and the amount, timing, and frequency of such dividends and repurchases may vary from historical practice or from our stated expectations. Decisions with respect to dividends and share repurchases are subject to the discretion of our Board of Directors and will be based on a variety of factors. Important factors that could cause us to discontinue, limit, suspend, delay, or increase our cash dividends or share repurchases include market conditions, the price of our common stock, the nature and timing of other investment opportunities, changes in our business strategy, the terms of our financing arrangements, our outlook as to our ability to obtain financing at attractive rates, the impact on our credit ratings, changes in laws or regulations, and the availability of cash. The IRA imposes an excise tax of 1 % on share repurchases, and the ongoing impact of this excise tax will be dependent on the extent of our share repurchases in future periods along with any changes to the excise tax rate and could increase our tax liability. The reduction or elimination of our cash dividend or longer suspension or elimination of our share repurchase program could adversely affect the market price of our common stock. Additionally, any share repurchases may not enhance stockholder value because the market price of our common stock **has, at times, declined and** may **once again** decline below the levels at which we repurchased shares of common stock, and short- term stock price fluctuations could reduce the program' s effectiveness. ~~Constellation Brands, Inc. FY 2024 Form 10- K # WORTHREACHINGFOR I 28~~

Governance Risks Sands Family Stockholder Class A Stock ownership and Board of Directors nomination rights Until November 2027 and so long as the Sands Family Stockholders, collectively, have beneficial or record ownership of at least 10 % of the issued and outstanding shares of Class A Stock, our Board of Directors will, subject to the procedures and limitations set forth in the Reclassification Agreement, nominate two individuals designated by WildStar for

election to our Board of Directors at any annual meeting of our stockholders at which directors are to be elected (or otherwise in connection with any action by written consent pursuant to which a majority of the Board of Directors will be elected). So long as the Sands Family Stockholders, collectively, have beneficial or record ownership of less than 10 % but at least 9, 239, 463. 1 shares of Class A Stock, as may be adjusted by any stock dividend, stock split, stock combination, or similar transaction, the Board of Directors will, subject to the procedures and limitations set forth in the Reclassification Agreement, nominate one individual designated by WildStar for election to the Board of Directors at any annual meeting of our stockholders at which directors are to be elected (or otherwise in connection with any action by written consent pursuant to which a majority of the Board of Directors will be elected). The amount of Class A Stock currently held by the Sands Family Stockholders, together with the foregoing Board of Directors nomination rights, provide the Sands Family Stockholders with significant continued influence over our decisions. The interests of the Sands Family Stockholders with respect to matters potentially or actually involving or affecting us and our other stockholders, such as future acquisitions, financings, and other corporate opportunities and attempts to acquire us, may conflict with the interests of our other stockholders. Certain Sands Family Stockholders have pledged shares of Class A Stock to secure various credit facilities. In the event of noncompliance with certain covenants under the credit facilities, the financial institutions to which such stock is pledged have certain remedies, including the right to sell the pledged shares subject to certain protections afforded to the borrowers and pledgors. The sale by such financial institutions of a substantial amount of the pledged shares could depress, or result in volatility in, the trading price of our Class A Stock. Choice-of- forum provision in our Amended and Restated By- laws regarding certain stockholder litigation Our Amended and Restated By- laws provide that, unless we consent in writing to the selection of an alternative forum, (i) the Court of Chancery of Delaware (or if such court lacks subject matter jurisdiction, the federal district court of Delaware) will be, to the fullest extent permitted by law, the sole and exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a claim of breach of a fiduciary **Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 26** duty owed by any of our current or former directors, officers, or stockholders to us or our stockholders; any action asserting a claim arising pursuant to any provision of the DGCL, our Amended and Restated Charter, or our Amended and Restated By- laws, or as to which the DGCL confers jurisdiction on the Court of Chancery of Delaware; or any action asserting a claim governed by the internal affairs doctrine, and (ii) the federal district courts of the U. S. will, to the fullest extent permitted by law, be the sole and exclusive forum for any complaint asserting a cause of action arising under the Securities Act. To the fullest extent permitted by law, this choice- of- forum provision will apply to state and federal law claims, including claims under the federal securities laws (including the Securities Act and the Exchange Act), although our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This choice- of- forum provision may increase costs for a stockholder pursuing any such claim, discourage claims, or limit a stockholder' s ability to bring a claim in a judicial forum that such stockholder finds favorable for disputes with us or our directors, officers, other stockholders, or other employees which may discourage such lawsuits even though an action, if successful, might benefit our stockholders. In addition, the courts located in Delaware may reach different judgments or results than would other courts, including courts where a stockholder would otherwise choose to bring the action, and such judgments or results may be more favorable to us than to our stockholders. If a court were to find this choice- of- forum provision inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions which could adversely affect our business, liquidity, financial condition, and / or results of operations. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of our capital stock will be deemed to have notice of and consented to the choice- of- forum provision described above. Constellation Brands, Inc. FY ~~2024~~**2025** Form 10- K # ~~WORTHREACHINGFOR I 29-27~~**WORTHREACHINGFOR I 26** PART I OTHER KEY INFORMATION Item 1C. Cybersecurity Cybersecurity risk management and strategy We have developed and implemented an enterprise- wide cybersecurity program designed to provide structured and thorough cybersecurity risk management and governance. Our cybersecurity program prioritizes, among other things, prevention of unauthorized access; protection of **confidential, personal, or** sensitive information; **cyber threat** detection, assessment, and response to ~~cyber threats~~; and continuous improvement of our cybersecurity measures. We seek to achieve our cybersecurity program priorities through a multi- pronged approach to address cyber threats and incidents that includes implementation of various industry best practices, proactive monitoring of our IT systems, ongoing employee training, and regular risk assessments. We also maintain cyber insurance coverage to help mitigate a portion of the potential costs in the event of covered events. Our cybersecurity program is aligned with various frameworks for managing cybersecurity risks, such as the National Institute of Standards and Technology Cyber Security Framework for IT systems and International Electrotechnical Commission 62443 which governs cybersecurity for Industrial Control Systems. This program is **integrated into** a component of our ERM **function processes**. Our ERM function manages enterprise- wide risk and has established a governance structure in charge of continuous risk management. It has defined risk management processes related specifically to cybersecurity, which include targeted cyber risk reviews **and**, annual cyber risk assessments over our IT and operations, **and integration with our information security function**. We also have a Cyber and Privacy Risk Committee, led by our CISO, which provides strategic and actionable recommendations on cybersecurity topics, issues, and controls to our executive management team, and a Crisis Management Committee, led by our head of ERM, which manages significant cybersecurity events. We rely upon both internal and external resources for evaluating and enhancing our cyber posture. At least annually, our information security and internal audit teams conduct **comprehensive extensive** internal and external penetration testing, supplemented by more frequent Purple- team Tests that are designed to identify critical areas of our technical environment and potential vulnerabilities that may need to be addressed. Our information security team also retains external cybersecurity firms to review and provide feedback on improving our cybersecurity program, including in the areas of data protection, threat and vulnerability management, and end- point protection. We conduct ~~tabletop exercises~~ **a range of activities to assess our cybersecurity preparedness and processes and** to prepare for potential cyber incidents, **including tabletop exercises, simulations,** and ~~assess our cybersecurity preparedness~~

practical application drills with internal teams and **processes external entities**. We also require annual cybersecurity training by our employees, conduct regular exercises to help our employees recognize phishing **emails attempts** and other social engineering tactics, and provide various methods for employees to report suspicious activity that may give rise to a cyber incident or threat. Significant results of such testing and reviews are communicated to our executive management team and our Audit Committee, as applicable, and are utilized in our cybersecurity program's continuous improvement process. In response to the growing risks associated with third- party service providers, we have established review processes for assessing the technological and information security controls of our third- party suppliers to attempt to identify material cybersecurity risks associated with such providers, their IT systems, and their access to our IT systems that could significantly disrupt our operations. These processes encompass a range of measures, such as pre- engagement cybersecurity due diligence for providers who access our IT systems or information before their engagement, ongoing monitoring and evaluation of our providers, detailed examination of available System and Organization Controls attestation reports, and inclusion of relevant contractual provisions in our agreements with third- party service providers with respect to areas including cyber protections, notifications, auditing, and risk allocation. We maintain an IRP, which provides a set of core practices and procedures when responding to certain high- risk information security threats and incidents, and a CMP, which is designed to ensure appropriate resources are utilized to provide an effective, timely, and coordinated response in managing crises, including significant cyber threats and incidents. Among other things, the IRP sets forth roles and responsibilities in connection with detecting, assessing, and mitigating cybersecurity incidents and outlines applicable communication and escalation **Constellation Brands, Inc. FY 2025 Form 10- K # WORTHREACHINGFOR I 28** protocols. Under the CMP, our Crisis Management Committee will assume overall responsibility in an effort to ~~Constellation Brands, Inc. FY 2024 Form 10- K # WORTHREACHINGFOR I 30~~ ensure that the appropriate functions and work streams are mobilized and coordinated to effectively manage any significant cyber events. As with all large IT systems, we have been a target of cyberattackers and other hacking activities, as have certain of our third- party service providers. While our cybersecurity program is designed to prevent unauthorized access and protect sensitive information, including through continuous improvement of our cybersecurity measures, and we have not experienced any material cyber threats or incidents to date, we can give no assurance that we will be able to prevent, identify, respond to, or mitigate the ~~impact~~ **impacts** of all cyber threats or incidents. To the extent future cyber threats or incidents result in significant disruptions and costs to our operations, reduce the effectiveness of our internal control over financial reporting, or otherwise substantially impact our business, it could have a material adverse effect on our business, liquidity, financial condition, and / or results of operations. For additional discussion on our cybersecurity risks, refer to Item 1A. " Risk Factors " of this Form 10- K.

Cybersecurity governance Our Board of Directors oversees the management of risks inherent in the operation of our business, with a focus on the most significant risks that we face, including those related to cybersecurity. The Board of Directors has delegated oversight of cybersecurity, including privacy and information security, as well as enterprise risk management to the Audit Committee. In connection with that oversight responsibility, our ~~CDIO- CIO~~ **CIO** and CISO meet with the Audit Committee on a quarterly basis and provide information and updates on a range of cybersecurity topics which may include our cybersecurity program and governance processes; cyber risk monitoring and management; the status of projects to strengthen our cybersecurity and privacy capabilities; recent significant incidents or threats impacting our operations, industry, or third- party suppliers; and the emerging threat landscape. Our head of ERM also meets with our executive management team and the Audit Committee on a quarterly basis and with the Board of Directors on an annual basis and reports on applicable cyber risk management processes and activities pertinent to the ERM function. **The Audit Committee has also periodically participated in certain of our cyber tabletop exercises**. Our enterprise- wide cybersecurity program is managed by a dedicated information security team, including our Cyber and Privacy Risk Committee described above, led by our CISO. Our CISO has more than 25 years of technology experience across various disciplines, including ~~nearly~~ **more than five** years of experience as a CISO in the financial, manufacturing, and CPG industries. He has led our global information security organization for ~~almost four~~ **more than five** years. In addition to his employment experience in the cybersecurity field, our CISO has a Master of Business Administration in management and operations and a Bachelor's Degree in technology management, and he has served on corporate and industry advisory boards related to cybersecurity, all of which have provided him with skills and experience to manage our global information security function. Our CISO reports to our ~~CDIO- CIO~~ **CIO**, who meets regularly with other members of our executive team and provides relevant updates on our cybersecurity program. ~~Constellation Brands, Inc. FY 2024-2025 Form 10- K # WORTHREACHINGFOR I 31-29~~ Item 2. Properties