

MONSTER BEVERAGE CORPORATION
WATER STEWARDSHIP POLICY
Adopted: December 26, 2023

Monster Beverage Corporation aims to monitor and manage our use of water in order to:

- Use water efficiently;
- Reduce the amount of water used (per liter of production) in our beverage manufacturing plants; and
- Ensure quality and continuity of water supply for our products.

Why Water Stewardship Matters

Water is crucial for people and the planet, as well as our supply chain and direct operations. Why?

- Water is the primary ingredient in all of our beverages.
- Water is also a key input into all the ingredients and materials used to produce beverages.
- Historic patterns of precipitation and the availability and quality of water in many key areas around the globe are changing.
- The costs of acquiring water, treating it for production and wastewater treatment are rising.
- Humans have a right to clean water.

Water Stewardship Strategies

Our water-related goals and our key strategies to meet them include:

- **Goal Setting:** The vast majority of Monster's production is outsourced to 3rd party bottlers and copackers. Consistent with our goals, we encourage our bottlers and co-packers to take steps to reduce the amount of water used in the manufacture of our products. Our Monster-owned production facilities will set site-specific targets to improve water efficiency. For our Monster-owned beverage manufacturing plants, including those located in watersheds with high water stress, our goal is to reduce the amount of water used (per liter of production). Our newly acquired or established production facilities will measure water use and set a three-year water use ratio efficiency goal within the first 12 months of full commercial operation.
- **Measurement and Reporting:**
 - We will continue to analyze our annual water usage in our Monster-owned production facilities, disclosing to CDP's Water Security questionnaire and conducting water risk assessments.
 - Water consumption and wastewater measurements will also be reported in EcoBeast™, our bespoke data collection tool which allows us to measure and manage sustainability data for our own operations and across our supply chain (i.e., from our suppliers, bottlers and co-packers).
 - Third party audits may verify certain reported measurements.
 - In addition, key suppliers, co-packers and bottling partners will be encouraged to participate in CDP reporting.
- **Assessment:** Through climate scenario analysis and water risk assessment tools, we will continue to assess water risk and scarcity, including for key agricultural commodities with our suppliers.
- **Progress:** We will publicly share progress towards our water targets in our annual sustainability reports and disclose water efficiency indicators.
- **Research:** Water risks specific to geographic locations will be researched through technology, engagement with suppliers/bottlers/co-packers/local government, or site visits.

- **Education:** Training opportunities will be shared with employees on the benefits of water stewardship for business and the community.
- **Collaboration:** Engagement with suppliers, co-packers and bottlers will include strategizing for water efficiency solutions, which may include fixing leaks, making capital improvements, optimizing water usage, submetering, and capturing Reverse Osmosis (RO) water to reuse.
- **Community:** We will seek opportunities to support communities in need of clean water.
- **Partnerships:** We will attempt to enhance pre-existing relationships with local water leaders.
- **Supplier Contracts:** Water use reduction guidance and provisions will be built into future contracts with suppliers, if feasible.