



20  
23

**Sustainability  
Report**



# FORWARD-LOOKING STATEMENTS

Certain statements and other information included in this document constitute forward-looking statements under applicable securities laws, including the U.S. Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions; statements regarding business strategies, plans, objectives, intentions and expectations with respect to future financial results; events; operations; services; product development and potential goals, objectives, aspirations, plans and targets regarding environmental, social, and governance (ESG) matters; future sustainability and renewable projects; statements regarding future performance; prospects and opportunities; and advancement of strategic growth initiatives. Forward-looking statements are generally identified through the inclusion of words such as “aim,” “ambition,” “anticipate,” “believe,” “desire,” “drive,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “might,” “plan,” “project,” “predict,” “seek,” “should,” “strategy,” “strive,” “target,” “hope,” “will,” “would” or the negative of these terms or similar statements or variations of such terms and other similar expressions. Although Monster Beverage Corporation’s management believes that the expectations reflected in such forward-looking statements

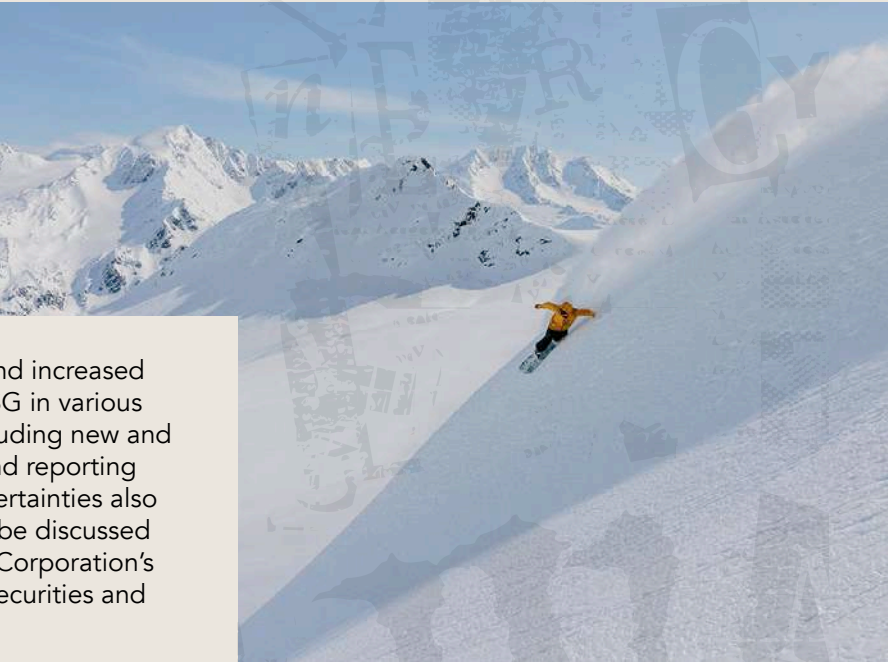
are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Monster Beverage Corporation, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, among other things, Monster Beverage Corporation’s ability to successfully implement its ESG efforts or meet its goals, targets and objectives, or whether the changes it implements in connection with its ESG efforts generate the intended effects; risks related to climate change resulting from increased concentrations of carbon dioxide (CO2) and other greenhouse gases in the atmosphere, which could have an adverse effect on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters, and could adversely affect the business, results of operations or financial condition; increasing scrutiny and rapidly evolving expectations, including by governmental and non-governmental organizations, consumer advocacy groups, third-party interest groups, investors, consumers, customers, employees and other stakeholders, regarding our

ESG practices and performance; and increased regulatory requirements around ESG in various jurisdictions around the world, including new and emerging standards for tracking and reporting on ESG matters. The risks and uncertainties also include the uncertainties that may be discussed or identified in Monster Beverage Corporation’s future public filings with the U.S. Securities and Exchange Commission (SEC).

For additional information about the risks, uncertainties and other factors that may affect our business, please see our most recent annual report on Form 10-K and any subsequent reports filed with the SEC, including its quarterly report on Form 10-Q.

In light of the significant uncertainties in these forward-looking statements, investors should not regard these statements as a representation or warranty by Monster Beverage Corporation or any other person that Monster Beverage Corporation will achieve its goals, objectives, aspirations, plans or targets in any specified time frame or at all. The forward-looking statements in this document are made as of the date hereof, and Monster Beverage Corporation assumes no responsibility to update any forward-looking statements whether as a result of new information, future events or otherwise.



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# A MESSAGE FROM OUR CO-CEOs

At Monster Beverage we aim to use fewer resources in the production and sale of our beverages. We recognize the impact our business can have on the planet, as well as the impact the planet can have on our business. This report details our 2023 sustainability journey and ongoing efforts.

2023 was a year of remarkable achievements. We launched innovative new brands, achieved 9.6% growth in energy drink case sales (in 192-ounce case equivalents), saw a 36.9% increase in net income, and welcomed the Bang® brand into the Monster family. These successes would not have been possible without the dedication of our entire Monster Energy team across the globe.

In early 2024, we committed to the Science Based Targets initiative (SBTi) to set an emissions reduction target in line with a 1.5-degree pathway within the next two years. We also joined the Beverage Industry Environmental Roundtable (BIER) to understand sustainability initiatives within the beverage sector.

We conducted an inventory and analysis of our Scope 1, 2, and 3 GHG emissions across our business for 2022 and 2023, which required a deeper dive into our supply chain and operations.

This process improved our oversight of the business and helped us to identify key sources of emissions. We are strategically working to reduce these emissions sources through initiatives that increase recycled content in our packaging, optimize our supply chain, increase use of renewable energy, and promote responsible water use and sourcing, all while improving efficiency and engaging team members across the business.

Our growth and sustainability progress would not be possible without our incredible employees, partners, stakeholders, customers and consumers. Thank you for being a part of our journey.

Sincerely,  
**Rodney Sacks and Hilton Schlosberg**  
Monster Beverage Corporation Co-CEOs

## ONE

# INTRODUCTION

## ABOUT THIS REPORT

This Sustainability Report covers operations and activities of Monster Beverage Corporation and its subsidiaries (“Monster”, “the Company”, “we”, “us” and “our” ), for the calendar year ending December 31, 2023, unless otherwise stated.

The content included in this report aligns to the Sustainability Accounting Standards Board (SASB) Version 2023-12 for the Non-Alcoholic Beverages Industry of the Food and Beverage sector and where relevant, references the SASB requirements for the Alcoholic Beverages Industry, given that the vast majority of our net sales are derived from our non-alcohol beverages. Our Monster Energy® Drinks, Strategic Brands and Other segments represented 97.4 percent of our net sales for the year ended December 31, 2023, while our Alcohol Brands segment represented 2.6 percent. This report also aims to align with the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), marking an important step in our journey towards transparency and progress towards our sustainability commitments.

This document uses certain terms, including such terms under the TCFD, CDP or SASB regimes that are referred to as “material” for those purposes, to reflect specific material risks or other matters to Monster Beverage Corporation or its stakeholders according to such regimes. Used in this context, however, these terms are distinct from, and should not be confused with, the terms “material,” “materially” and “materiality” as defined by or construed in accordance with securities or other laws,

including the U.S. securities laws, or as used in the context of financial statements and reporting as required by applicable laws and regulations. The inclusion of information in this report should not be construed as a characterization regarding the materiality or the financial impact of such information in accordance with the securities laws or any other laws of the United States or any other jurisdiction. For additional information regarding Monster, please see our filings (including our most recently filed Form 10-K and Form 10-Q) with the SEC. Monster’s SEC filings, governance documents and other information that may be of interest are available on our corporate website at [www.monsterbevcorp.com](http://www.monsterbevcorp.com).

## MONSTER ENERGY OVERVIEW

Based in Corona, California, Monster Beverage Corporation is a holding company and conducts no operating business, except through its consolidated subsidiaries, which primarily develop and market energy drinks. In 2022, we completed our acquisition of CANarchy Craft Brewery Collective LLC, renamed Monster Brewing Company effective January 2024, which facilitated our entry into the alcohol beverage sector. On July 31, 2023, we completed our acquisition of substantially all of the assets of Vital Pharmaceuticals, Inc. and certain of its affiliates (collectively, “Bang Energy”), bringing the Bang Energy® drink business and its assets into our portfolio, which included a beverage production facility in Phoenix, Arizona .



# AS OF DECEMBER 31, 2023

PERFORMANCE

OPERATIONS

PRODUCTS

\$7.14

BILLION

Net Sales

UP 13.1% COMPARED TO 2022

769.2

MILLION CASES<sup>1</sup> OF ENERGY DRINK PRODUCTS SOLD

9.6% COMPARED TO 2022

13.1

MILLION CASES<sup>3</sup>

0.6

MILLION BARRELS<sup>4</sup>

OF CRAFT BEERS, HARD SELTZERS, AND FLAVORED MALT BEVERAGES SOLD

6,003

EMPLOYEES ACROSS 73 COUNTRIES

OUR EMPLOYEES BY REGION

North America: 4,120

Latin America: 400

Asia Pacific<sup>2</sup> : 270

Europe, Mideast and Africa: 1,213

2023 NET SALES BY OUR REPORTING SEGMENTS

91.8

5.3

2.6

0.3

Monster Energy® Drinks

91.8%

Strategic Brands

5.3%

Alcohol Brands

2.6%

Other\*

0.3%

ONE OR MORE OF OUR PRODUCTS ARE DISTRIBUTED IN APPROXIMATELY

158 COUNTRIES AND TERRITORIES WORLDWIDE

10

OPERATIONAL BEVERAGE PRODUCTION FACILITIES

38

NEW ADDITIONS TO OUR PORTFOLIO

MONSTER ENERGY® DRINKS SEGMENT INCLUDES:

MONSTER ENERGY® DRINKS, REIGN TOTAL BODY FUEL® HIGH PERFORMANCE ENERGY DRINKS, REIGN STORM® TOTAL WELLNESS ENERGY DRINKS, BANG ENERGY® DRINKS AND MONSTER TOUR WATER®

ALCOHOL BRANDS SEGMENT:

CIGAR CITY™, OSKAR BLUES™, DEEP ELLUM™, SQUATTERS®, WILD BASIN™, WASATCH®, PERRIN, THE BEAST UNLEASHED®, NASTY BEAST™ HARD TEA

STRATEGIC BRANDS SEGMENT:

BPM®, BU®, BURN®, FULL THROTTLE®, FURY®, LIVE+®, MOTHER®, NALU®, NOS®, PLAY® AND POWER PLAY® (STYLIZED), PREDATOR®, RELENTLESS®, SAMURAI®, ULTRA ENERGY®

OTHER SEGMENT:

OUR WHOLLY-OWNED SUBSIDIARY, AMERICAN FRUITS AND FLAVORS LLC (AFF), DEVELOPS AND MANUFACTURES CERTAIN FLAVORS AT ITS FACILITIES IN CALIFORNIA AND ATHY, IRELAND.

<sup>1</sup> In 192-ounce case equivalents  
<sup>2</sup> Including Oceania  
<sup>3</sup> In 192-ounce case equivalents  
<sup>4</sup> One barrel is equivalent to 31 U.S. gallons

4 MONSTER BEVERAGE CORPORATION / 2023 SUSTAINABILITY REPORT

2023 SUSTAINABILITY REPORT / MONSTER BEVERAGE CORPORATION

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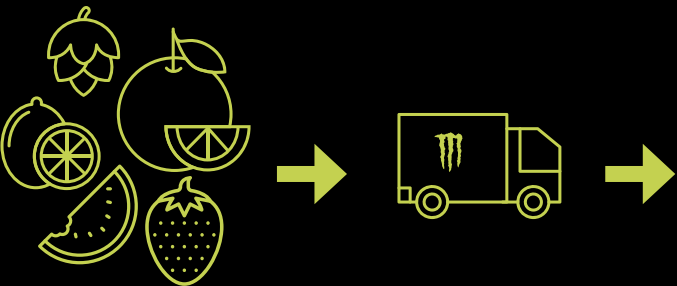




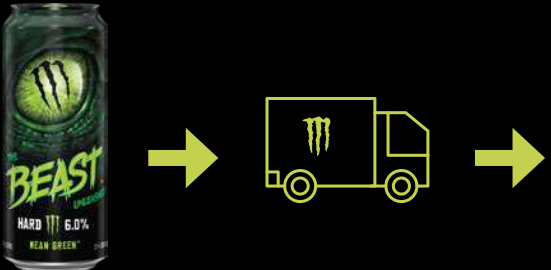
# HOW WE OPERATE

We develop, market, sell and distribute energy drink beverages, concentrates for energy drink beverages, still and sparkling waters, craft beers, flavored malt beverages (FMBs) and hard seltzers under a number of brands. The majority of our non-alcohol and certain of our alcohol finished goods are manufactured by various third-party bottlers and co-packers situated throughout the United States and abroad, under separate arrangements with each party.

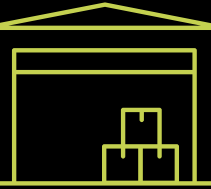
## RAW MATERIALS & PACKAGING



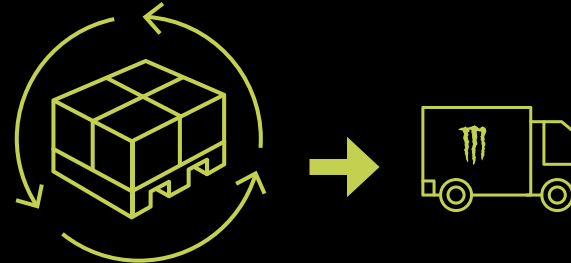
## PRODUCTION FACILITY



## WAREHOUSE



## DISTRIBUTION PARTNERS



## CUSTOMER



## CONSUMER





# 2023 PROGRESS AND HIGHLIGHTS

## ENVIRONMENTAL

- Submitted our official commitment letter to join the Science Based Targets Initiative (SBTi), indicating our ambition to set a near-term Scope 1 and Scope 2 greenhouse gas (GHG) reduction target in line with a 1.5-degree pathway within the next two years. We are currently developing our formal science-based target (SBT) for submission and approval.
- Achieved a milestone in our environmental data collection journey: As part of our initiative to collect and enhance our environmental data for both direct and indirect operations, we have successfully rolled out the three phases of our data collection process via our EcoBeast™ platform.

- Installed operational solar panels at four company-owned buildings.

- Garnered recognition for our anaerobic digester located at our AFF San Fernando facility, which was awarded as an outstanding renewable energy project by the nonprofit organization Energy Vision.

### PHASE 01

Engaged with over 100 Bottlers and co-packers to collect their energy and water use data across their manufacturing and distribution operations to improve our Scope 3 data collection and track emission reduction trends across our supply chain.

### PHASE 02

Engaged with the top 25% of suppliers (by dollar spend) to collect energy and water use data to improve our Scope 3 data collection and track emission reduction trends across our supply chain.

### PHASE 03

Onboarded our direct operations into EcoBeast to support data collection for our Scope 2 inventory.

## WATER STEWARDSHIP

- Engaged with Waterplan, a digital water risk management platform
- Conducted a water risk assessment of our direct operations
- Published a Water Stewardship Policy

## SOCIAL

Globally completed approximately 20,000 hours of training<sup>5</sup> via Monster University, our e-learning platform which includes technical and career training and supports business acumen and professional development.

Globally recruited 803 participants in our mentorship program.

Invested in additional roles to support Diversity, Equity and Inclusion (DEI).

## PHILANTHROPY

Through our employee Volunteer Time Off program, supported 2,715 volunteer hours<sup>6</sup>.

## GOVERNANCE

Joined Beverage Industry Environmental Roundtable (BIER), a technical coalition of global beverage companies.

<sup>5</sup> Excludes hours associated with mentorship programs.

<sup>6</sup> U.S. and Canada only.

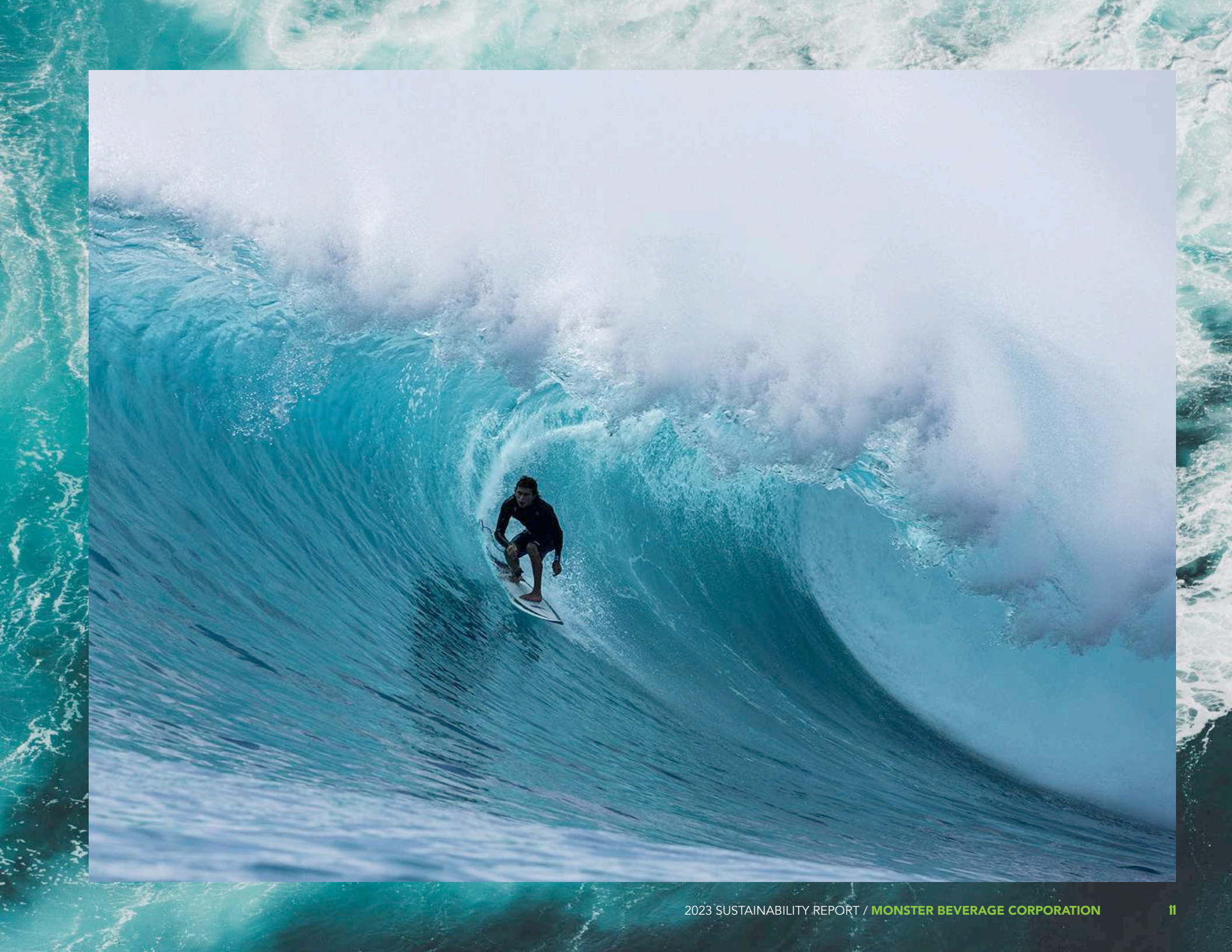




TWO

ENVIRONMENT

FROM SETTING GHG EMISSIONS TARGETS TO IMPLEMENTING A WATER STEWARDSHIP POLICY, MONSTER CONTINUES TO LOOK FOR WAYS TO IMPROVE ITS ENVIRONMENTAL SUSTAINABILITY. IN 2023, WE SOUGHT TO FURTHER MINIMIZE OUR IMPACT ON THE PLANET.





# MEASURING OUR IMPACT

High quality, consistent data is essential for Monster to address sustainability effectively and achieve our future targets. To better collect, track and manage environmental data in our supply chain and direct operations, we utilize EcoBeast™, our bespoke data collection tool.

We deployed EcoBeast™ campaigns to over 100 bottlers and co-packers to collect environmental data on topics such as water use, GHG emissions and renewable energy consumption, as well as any sustainability targets or initiatives. We also launched EcoBeast™ campaigns to our most material suppliers. Since collecting environmental data can be challenging for some suppliers we offered our support throughout the process, including one-on-one meetings with any supplier who reached out for help, be it calculating their emissions or learning the benefits of participating in initiatives such as EcoVadis or SBTi.

## BOTTLER HIGHLIGHT:

A key production partner for Monster completed or advanced major energy efficiency projects, including:

- Upgraded older ammonia-based refrigeration equipment to new centrifugal/glycol process cooling
- Installed a new variable frequency drive process air compressor, along with low pressure air systems
- Continued a multi-year project to upgrade all plant lighting to high efficiency LED fixtures
- Replaced an older tunnel pasteurizer with a high efficiency model that uses modern controls and water efficiency technology to reduce water, natural gas, and electrical consumption

According to our production partner, these sustainability projects save a total of 5,750 dekatherms of natural gas, 1,255,500 kilowatt-hours (kWh) of electricity and 12,275,000 gallons of water annually.

Utilizing the EcoBeast™ platform, we streamlined utilities and invoice data collection for our own operations across the globe to better analyze energy and water use.

# CLIMATE

## GREENHOUSE GAS EMISSIONS

### COMMITTING TO THE SCIENCE BASED TARGETS INITIATIVE

As part of our commitment to SBTi, we plan to set a near-term Scope 1 and 2 greenhouse gas (GHG) emissions reduction target by 2026.

We are exploring various strategies to improve energy efficiency, increase renewable energy use, and find alternative, sustainable fuels.

### SCOPE 1 AND 2 INVENTORY

For our Scope 1 and 2 inventory, we collected data on our GHG emissions from our direct operations. We saw an increase in recorded emissions due to our recent acquisitions and expansion of our facilities as well as improved data collection. We also updated multiple emission factors to improve accuracy and further refined our calculation methodology in line with the Greenhouse Gas Protocol.

In 2023, Scope 1 emissions increased by 51 percent and Scope 2 (location-based) emissions increased by 22 percent as compared to 2022 due to an increase in production.

	2022 (TCO2E)	2023 (TCO2E)	YEAR-OVER-YEAR CHANGE
SCOPE 1 (TCO2E)	10,077	15,259	+51%
SCOPE 2 (LOCATION-BASED)	8,300	10,134	+22%
TOTAL SCOPE 1 + SCOPE 2 (LOCATION-BASED)	18,377	25,393	+33%



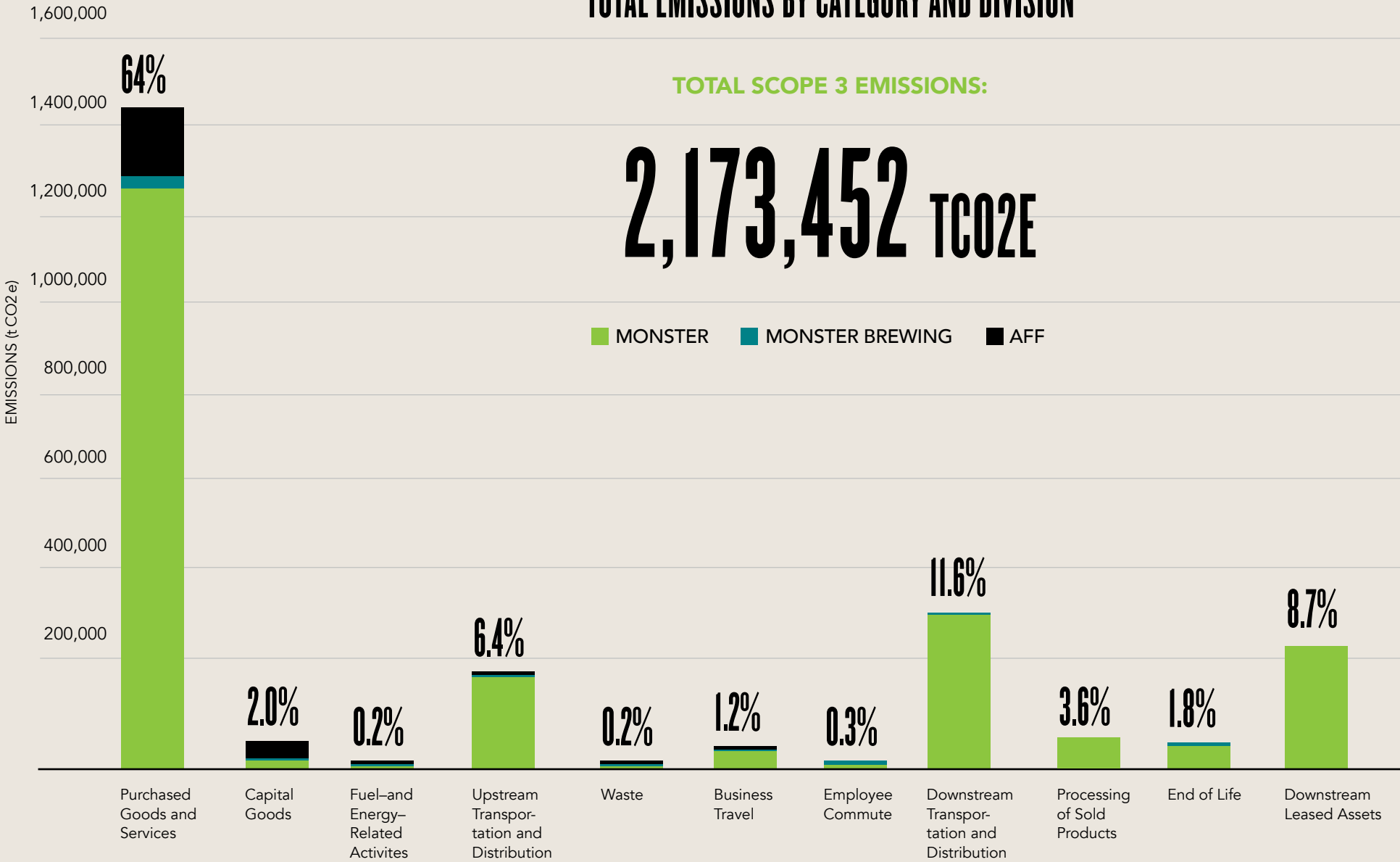
## SCOPE 3 GHG INVENTORY

For our 2023 Scope 3 GHG inventory, we made significant strides in improving the quality of our data by refining our methods, engaging closely with suppliers, and gathering detailed supplier-specific data through EcoBeast™. Combined with enhanced calculation methodologies, these data improvements have increased our recorded emissions for several scope 3 categories. Meanwhile, improvements in operational efficiency resulted in decreases of emissions within transportation and waste. Purchased goods and services continue to constitute over 60% of our Scope 3 emissions, driven by the purchase of aluminum, ingredients, finished product manufacturing, and distribution.\*

\* Tracking, calculating and reporting the greenhouse gas emissions for a company of our size is complex. Scope 3 emissions in particular, are calculated with the aid of estimates, methodologies and modeling to arrive at a reasonable value. For our reporting, we rely on many external rules, standards and data sets. Our GHG footprint is subject to change as a result of acquisitions or divestitures, or when improved data, methodologies or emissions factors become available.

SCOPE 3 CATEGORY	2022 (TCO2E)	PERCENTAGE OF TOTAL 2022 SCOPE 3 GHG EMISSIONS	2023 (TCO2E)	PERCENTAGE OF TOTAL 2023 SCOPE 3 GHG EMISSIONS
1. PURCHASED GOODS AND SERVICES	1,202,030	64.8%	1,390,770	64.0%
2. CAPITAL GOODS	7,496	0.4%	44,470	2.0%
3. FUEL AND ENERGY-RELATED ACTIVITIES	3,604	0.2%	3,904	0.2%
4. UPSTREAM TRANSPORTATION AND DISTRIBUTION	247,068	13.3%	139,627	6.4%
5. WASTE GENERATED IN OPERATIONS	5,232	0.3%	5,178	0.2%
6. BUSINESS TRAVEL	19,460	1.0%	26,709	1.2%
7. EMPLOYEE COMMUTING	13,789	0.7%	5,586	0.3%
8. UPSTREAM LEASED ASSETS	N/A	N/A	N/A	N/A
9. DOWNSTREAM TRANSPORTATION AND DISTRIBUTION	231,162	12.5%	252,159	11.6%
10. PROCESSING OF SOLD PRODUCTS	68,869	3.7%	78,388	3.6%
11. USE OF SOLD PRODUCTS	N/A	N/A	N/A	N/A
12. END OF LIFE TREATMENT OF SOLD PRODUCTS	20,580	1.1%	38,317	1.8%
13. DOWNSTREAM LEASED ASSETS	35,088	1.9%	188,344	8.7%
14. FRANCHISES	N/A	N/A	N/A	N/A
15. INVESTMENTS	N/A	N/A	N/A	N/A
TOTAL SCOPE 3 EMISSIONS	1,854,377		2,173,452	

## TOTAL EMISSIONS BY CATEGORY AND DIVISION



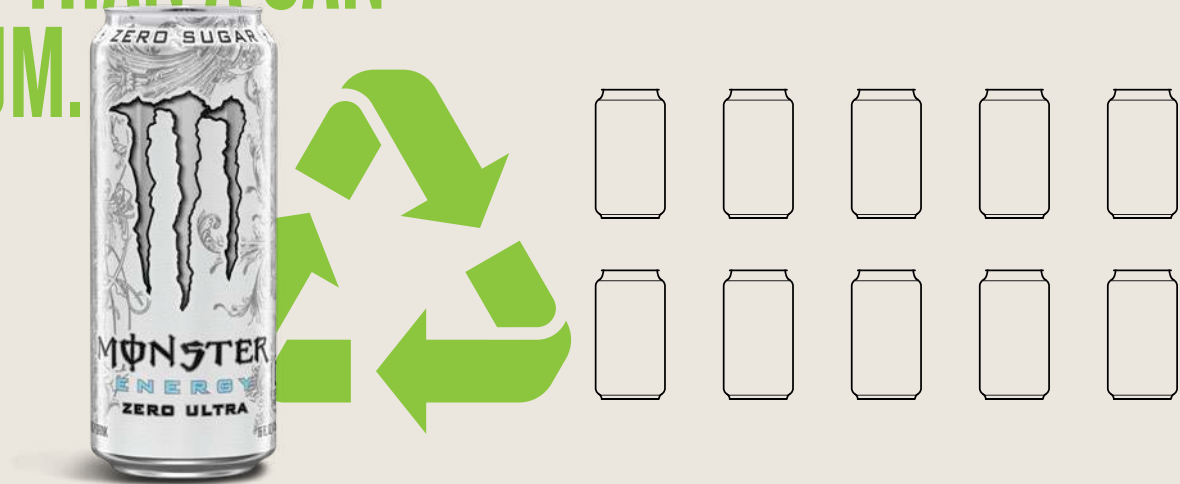
2023 Scope 3 emissions breakdown by category and division.



ALUMINUM

In 2023, aluminum cans were responsible for up to 25 percent of our total Scope 3 emissions. We are working with our aluminum can suppliers to understand industry recycling trends and new innovations to reduce emissions. To date, we have been able to collect supplier-specific data representing over 70 percent of our cans.

DID YOU KNOW? A BEVERAGE CAN MADE OF RECYCLED ALUMINUM REQUIRES 90% LESS ENERGY TO PRODUCE THAN A CAN USING NEW ALUMINUM.



GLOBAL ENERGY CONSUMPTION

PROMOTING ENERGY MANAGEMENT

We continue to expand our solar capacity, with solar arrays now fully operational at two of our Corona, CA headquarter buildings, at AFF in San Fernando, CA and our warehouse in Rialto, CA. The annual solar production at these facilities for 2023 was 1,735 MWh, preventing over 1,395 metric tons of CO2e emissions, equivalent to the GHG emissions from:

332

CARS ON THE ROAD  
FOR ONE YEAR



275

HOMES' ELECTRICITY  
USE FOR ONE YEAR



1,537,397

POUNDS OF COAL BURNED



Our two largest headquarter buildings in Corona, CA are ENERGY STAR® certified as they adhere to strict energy performance standards from the U.S. Environmental Protection Agency (EPA), operating more efficiently than 75 percent of similar buildings across the U.S. Additionally, our largest headquarter building is LEED Certified Gold, and our warehouse in Rialto, CA is LEED Certified Silver.



# ENERGY EFFICIENCY AT AFF IN CALIFORNIA

The anticipated opening of the new San Fernando juice and flavor manufacturing plant marks a crucial milestone for AFF, signaling the consolidation and enhancement of its operations. Several locations are being combined into the new state of the art San Fernando facility. This modern facility supplants the current Flavor and Juice facilities, embodying our goal of manufacturing efficiency and environmental stewardship. Designed and constructed with sustainability at its core, the San Fernando facility integrates innovative initiatives aimed at reducing our footprint. Chief among these initiatives is the installation of a 1 MW solar array. Its 875 panels will feed directly into the grid. There is also anaerobic digestion water treatment which captures biogas for energy creation and was recognized as an outstanding renewable energy project by the non-profit Energy Vision in 2023. This system is expected to reduce total suspended solids (TSS) by as much as 50 percent from wastewater and produce about 16,000 MMBTUs of renewable energy a year.



# KEEPING IT LOCAL

Monster is working to minimize travel from manufacturing to distribution to retail. We've engaged in the following localization projects since 2020 to support this transition:

## 2020

We relocated certain production for Southeast Asia from EMEA and North America to Malaysia, creating a more centralized production hub for the area.

## 2021

We transitioned to local production in South Africa, reducing shipping distances for finished products.

## 2022

In North America, we transitioned our manufacturing network to a regional operating model.

## 2023

In EMEA we transitioned our manufacturing network to a regional operating model.



# AFF IN IRELAND: SUSTAINABILITY MEETS EFFICIENCY

American Fruits and Flavors in Athy, Ireland (AFFI), strives for environmental responsibility and operational excellence. By expanding manufacturing operations in Athy, to include a new juice plant, we not only enhance our product offerings across the EMEA region but also aim to limit our carbon footprint by localizing operations and reducing our reliance upon U.S. manufacturing facilities. Furthermore, through strategic investments supported by a grant from the Industrial Development Authority (IDA), AFFI is achieving efficiency gains while seeking to reduce its environmental footprint.

**Bulk Deliveries, Reduced Trips:** AFFI is transitioning from Intermediate Bulk Containers (IBCs) to bulk tanker deliveries for raw materials. This reduces the number of deliveries needed by allowing for more materials to be transported per trip. The result is a significant reduction in transportation costs, fuel consumption, and associated emissions.

**Cleaning With Air to Save Water:** AFFI is implementing a cutting-edge air Clean-In-Place (CIP) system. This innovative technology uses compressed air instead of hot water and chemicals to clean processing pipes and tanks. It translates to projected daily water savings of 60,000 liters, a substantial reduction in energy consumption for heating water, and minimized product waste

during cleaning cycles. Additionally, this technology removes 99 percent of product residue in the pipes and reduces the amount of wastewater generated while lowering the concentration of chemicals requiring treatment.

**Harnessing the Power of the Sun:** A solar photovoltaic (PV) array will be installed on the new facility's roof, covering about 3,468 m2. This is projected to generate nearly 800,000 kWh of clean electricity per year, reducing AFFI's reliance on the grid and lowering energy costs. This solar array is expected to result in the avoidance of approximately 276 tons of CO2 emissions annually.

**Reclaiming Heat:** AFFI is also implementing a heat recovery system for its compressed air systems. This system captures heat that would typically be released into the environment and utilizes it for other purposes within the facility. This is estimated to save an additional 510,840 kWh of energy per year, further reducing AFFI's reliance on traditional energy sources and lowering operating costs.

The Athy expansion serves as a prime example of how sustainability can go hand-in-hand with operational efficiency. By investing in renewable energy, water treatment and local manufacturing capabilities, we are not only reducing our environmental impact but also enhancing our operational efficiency and resilience as we strengthen our position in the EMEA market.

IBC (Before)



Bulk Tanks (After)





# TRANSPARENCY IN PROGRESS



CDP, formerly Climate Disclosure Project, is one of the premier frameworks for companies to disclose information on environmental impacts, risks, and opportunities. 2023 marked Monster’s fourth year responding to the CDP Climate Change and Water Security Questionnaires. Despite increasing rigor in standards, we were able to maintain our scores in 2023.

Once again, we earned a ‘Management B-’ score for Climate Change, reflecting Monster’s tangible action on climate issues. At the category level, we scored at ‘Leadership A-’ for our Risk Management Processes and Emissions Reduction Initiatives.

For Water Security, we achieved an ‘Awareness C’ score, demonstrating our efforts to understand and track Monster’s water usage, impacts and risks. With the establishment of our Water Stewardship Policy we are hopeful that our score will improve. Review our full CDP responses on our website here:

<https://www.monsterbevcorp.com/media/2023-CDP-Climate-Change-Questionnaire.pdf>

<https://www.monsterbevcorp.com/media/2023-CDP-Water-Security-Questionnaire.pdf>



EcoVadis provides holistic sustainability ratings focused on policies, actions and tracked metrics across four themes: Environment, Labor and Human Rights, Ethics, and Sustainability Procurement. Since 2021, AFF has completed an annual EcoVadis Sustainability Assessment and improved its score each year. AFF earned a Silver EcoVadis Medal in 2023, ranking in the top 15 percent of companies assessed. AFF also outperformed the industry average for all themes, scoring particularly well in the Environment and Ethics categories.

# WATER

Water is the primary ingredient for all products produced and sold by Monster. The predicted effects of climate change may result in challenges regarding the availability and quality of water, or less favorable pricing for water, which could adversely impact our business and operations. Sales of our products may also be influenced to some extent by weather conditions in the markets in which we operate. Prioritizing responsible water management is vital not only to combatting climate change but building our resilience to it.

In December 2023, Monster adopted its first Water Stewardship Policy. Under this new policy, we aim to reduce water use, increase water efficiency, and ensure the quality and continuity of water supply for all our products. Water stewardship efforts are based on local watershed factors like precipitation patterns, water sources and population. [Some of these strategies include:](#) →

- **SETTING SITE SPECIFIC TARGETS AT MONSTER-OWNED PRODUCTION FACILITIES TO IMPROVE WATER EFFICIENCY.**
- **ENCOURAGING OUR CO-PACKERS AND BOTTLERS TO REDUCE WATER USED IN THE MANUFACTURE OF OUR PRODUCTS.**
- **INCORPORATING WATER USE REDUCTION GUIDANCE AND PROVISIONS INTO FUTURE SUPPLIER CONTRACTS WHERE FEASIBLE.**

# WATER ACCOUNTING

Monster completed its annual water inventory for direct operations, including offices, warehouses, production plants and breweries.

WATER INVENTORY	2022	2023
WATER WITHDRAWAL (m³)	382,740	402,870
WATER DISCHARGE (m³)	251,310	252,183
WATER CONSUMPTION (m³)	131,430	150,687

Our recorded water use grew due to increased production at our breweries and improved data quality. As we begin to implement the water stewardship strategies outlined in our new water policy, we aim to improve our water efficiency.



## BREWERIES

Our breweries account for 62 percent of our total water withdrawals. The employees at our breweries are committed to improving water use efficiency.

## WATER USE RATIOS

Beverage manufacturing facilities often employ water use ratios to better gauge water efficiency. These ratios quantify the volume of water required to produce a certain product, calculated as the ratio of total water usage to total beverage production. We aim to reduce this ratio for Monster-owned beverage production facilities. In 2023, we calculated water use ratios at our six brewery locations as they require more water to produce in comparison to other Monster products. In future years, we will expand to tracking water use ratios at all Monster-owned sites once they are fully operational to establish baseline ratios that will allow us to set three-year water use ratio efficiency goals in line with our Water Stewardship Policy. Our most water efficient brewery had a water use ratio of approximately 4:1.





SUPPORTING WOMEN THROUGH RAINWATER CONSERVATION

Monster continued its partnership with Lions Club International and Lions Club Thane North. These organizations are on a mission to address water scarcity issues in the village of Rampur in Maharashtra, India, while simultaneously improving the health and wellbeing of the community. This collaborative effort involved the construction of check dams, which are designed to control erosion and store rainwater during monsoon season, offering a sustainable solution to the community’s water needs. These dams significantly cut down the distance local women must travel to obtain water for daily necessities. Additionally, by ensuring consistent water access for local farmers, these dams not only alleviate immediate challenges but also promote agricultural productivity and economic growth by extending the four-month growing season to ten months.



DEEP DIVE INTO WATER STEWARDSHIP IN BREWING

Monster is taking water stewardship seriously. As part of our pilot program to reduce water consumption across owned production facilities, we selected our brewery in Salt Lake City, Utah, for a deep dive due to its localized water risks, including:

- Water availability changes due to climate models predicting more rain and less snow
- Water quality changes due to less available ground or municipal water sources
- Increasing pressure on scarce water resources due to regional population growth

As a result of this risk analysis, conducted in partnership with WaterPlan, a water efficiency plan was developed to seek to ensure continuous supply and quality of water for our craft beers. The team began by analyzing current best practices; it then moved into measuring the sources of municipal versus ground water supply, analyzing trends in water availability, determining the microbiology of the water used, before finally planning for future craft beer production. This effort led to the creation of a sustainability forum for idea-sharing in the brewery’s process management platform.

Process improvements implemented include:

- Ultrasonic water meters for real-time data and pinpointing leak locations
- Adjustments to the reverse osmosis water system to reduce discharge and increase usable reverse osmosis water
- Elimination of extra runs using hot water
- Elimination of extra manual hose rinses of the brew kettle
- Only partially opening valves during certain line flushes
- Employees being more mindful of usage and shutting off valves faster
- Setting a goal to respond to leak reports in under 24 hours

These improvements are estimated to collectively save a minimum of 6,500 gallons per month, and the facility expects this number to grow as additional opportunities are identified.

From anaerobic digestion to employee engagement and collaboration, many of these water-saving initiatives can be applied to Monster’s other production facilities. Taking learnings from this assessment, Monster established a global Water Stewardship Policy that requires each company-owned production site to set a water efficiency goal. The Salt Lake City brewery is Monster’s first site to set a quantitative, time-bound water reduction target as a result of this water policy, with plans to reduce water use 15 percent between 2023 and 2025.



# WASTE – REDUCE, REUSE, RECYCLE

Committed to the principles of reduce, reuse and recycle, Monster continues to implement waste reduction initiatives across its operations, with waste management improving year over year. Here are a few highlights from 2023 and 2024:

- We created a training video for all Corona headquarters employees about which items can be composted or recycled, rather than sent to landfill.
- Monster continues to be a champion of the Score Green campaign, a unique initiative that repurposes seized counterfeit products into basketball backboards and chess pieces for schools and sports centers, while diverting waste from landfills.
- Monster continued to use a pallet sharing and reuse service in the transportation of its products.
- Twice a year, AFF collects used shoes that were issued to employees in warehouse production, and maintenance to donate to the non-profit, Sole4Souls.

Additionally, AFF recycles cardboard, wooden pallets and scrap metal from operations, and reuses empty steel drums and metal and plastic totes for bulk shipments. All hazardous waste is properly labeled, and employees are provided annual training for the proper sorting, handling and disposal of waste.





THREE

# SOCIAL

WE AIM TO PRIORITIZE OUR PEOPLE IN EVERYTHING WE DO. WE STRIVE TO BUILD A DIVERSE WORKPLACE, CULTIVATE TOP TALENT, AND NURTURE A CULTURE IN WHICH OUR TEAM MEMBERS AND BUSINESS PARTNERS FEEL VALUED AND RESPECTED. WE CONTINUE TO SUPPORT OUR LOCAL COMMUNITIES AND RECOGNIZE THE INVALUABLE SUPPORT THEY OFFER US.





# SUPPORTING OUR MONSTER FAMILY

At Monster, we strive to prioritize employee wellbeing and embrace diversity, equity and inclusion (DEI) to foster a supportive work environment. Our employees are integral to the success and resilience of our business, and we have invested in various programs and resources to support our employees’ personal and professional growth. Our broad offerings of training and opportunities for continued education contribute to a working environment in which every team member is equipped with the tools to thrive.

## EMPLOYEE WELL-BEING

We recognize that the needs of our employees are constantly evolving. We’re proud to offer our team members a competitive package of flexible benefits that enables them to choose options that are right for them, catering to the diverse needs of our team.



### WELLNESS BENEFITS:

- HEALTHY REWARDS PROGRAM
- FLEXIBLE SPENDING ACCOUNTS FOR CHILDCARE
- PET INSURANCE
- IDENTITY THEFT ASSISTANCE
- TRAVEL INSURANCE
- AID FOR EMPLOYEES DURING NATURAL DISASTERS OR FINANCIAL HARDSHIP
- VOLUNTEER TIME OFF



### FINANCIAL HEALTH BENEFITS:

- RETIREMENT AND SAVINGS PLANS, SUCH AS 401(K) FOR ELIGIBLE EMPLOYEES
- FLEXIBLE HEALTH SPENDING ACCOUNTS
- LIFE INSURANCE
- SUPPLEMENTAL LIFE INSURANCE
- PRE-PAID LEGAL COVERAGE



### PHYSICAL AND MENTAL HEALTH BENEFITS:

- MEDICAL, DENTAL AND VISION INSURANCE
- ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE
- SHORT AND LONG-TERM DISABILITY INSURANCE
- CRITICAL ILLNESS INSURANCE
- EMPLOYEE ASSISTANCE PROGRAM
- MENTAL HEALTH SUPPORT VIA SUBSIDIZED THIRD-PARTY APPS

For eligible international employees, we provide supplemental benefits to enhance statutory medical benefits and life insurance benefits, and in certain countries, we contribute toward supplemental benefits for eligible dependents.

\* Some benefits differ by region.



# 2023 EMPLOYEE BELONGING EFFORTS

## THE GOAL OF OUR INITIATIVES IS TO:



ELIMINATE CULTURAL BARRIERS  
TO WORK TOGETHER EFFECTIVELY.



DELIVER STRONG PERFORMANCE  
AND GROWTH IN 2023 BY  
ATTRACTING, ENGAGING AND  
RETAINING TALENT.



INNOVATE BY UTILIZING THE DIVERSE  
PERSPECTIVES, SKILLS AND EXPERI-  
ENCE OF OUR EMPLOYEES.



ADAPT AND RESPOND EFFECTIVELY  
TO CHANGES, CHALLENGES AND  
EXPECTATIONS ON A GLOBAL LEVEL.







# WORKER HEALTH AND SAFETY

We constantly strive to ensure a safe workplace for all employees by focusing on proactive measures, such as identifying and addressing potential hazards. Monster's teams are required to complete mandatory health and safety training. Certain teams, such as our warehouse and production teams, receive monthly training tailored to address Occupational Safety and Health Administration (OSHA) requirements and other risks specific to their work environments. Field positions undergo additional annual training covering safe driving, injury prevention and lifting best practices. By ensuring that employees understand workplace hazards, our teams are prepared to protect themselves and their colleagues.



# EMPLOYEE TRAINING AND DEVELOPMENT

At Monster, we recognize the value of our employees and believe in providing avenues for our team members to elevate their skills and take their careers to the next level. Our training framework maximizes learning opportunities through a blend of formal instruction, assessments, coaching, mentorship and hands-on experiences. We offer a number of leadership and development opportunities for our team, including:

- New Beast Immersion: Established in 2015, new team members are immersed into all things Monster. In 2023, we had 175 participants across two events.
- Beacon Program: Established in 2016, this program helps front line sales teams develop business acumen and had 62 participants in 2023.
- Office Hours: Established in 2020, these hour-long training sessions focus on technical capabilities and selling skills. This program had 2,893 participants in 2023.

- Trailblazers: Established in 2022, this front-line sales development program is tailored specifically for high-potential Street Team Representatives and had 97 participants in 2023.
- Leadership Unleashed: Established in 2023, this program helps develop people managers for Monster’s sales department and had 143 participants in 2023.
- Protect Our Winters (POW): In our EMEA region, we partnered with the Protect Our Winters (POW) charity, founded by pro snowboarder Jeremy Jones, to run comprehensive carbon literacy training through our sustainability taskforce, with 12 EMEA employees now certified carbon literate. We provided a preliminary version of this training to 40 members of the EMEA leadership team to become climate literate and launched four educational broadcasts highlighting climate-related issues and opportunities for the business.





## MONSTER UNIVERSITY

All employees have access to Monster University, our comprehensive e-learning platform. With 72 courses covering job and career training, business acumen, professional development and technical capabilities, our platform is designed to equip users with the tools and knowledge necessary to excel in their roles. In 2023, our team collectively engaged in over 20,000 total training hours.

## MONSTER BUSINESS ACADEMY

Monster Business Academy is a pillar of our dedication to continuous learning and development. This executive-level leadership program fosters cross-functional knowledge exchange among participants and executive leaders across our organization. The program offers a comprehensive learning experience with 70 percent of the program sourced from external partners and the remainder supplemented by guest speakers, leadership workshops, department overviews and a team initiative project. The ongoing 2023/2024 program consists of 12 participants who have dedicated an average of 200 hours over the course of the 20-month program.

## UNLEASH LEADERSHIP POTENTIAL WITH BEAST MODE

Monster’s Beast Mode program empowers employees to become future leaders by developing business and people management skills to help the Company and their careers grow. Over the course of thirteen months, this program puts nominated employees from across various departments (including America’s Sales, AFF, Monster Brewing Company, Operations, Marketing, Legal, Finance, IT and HR) through the ultimate leadership bootcamp.

### How does the program work?

To graduate from Beast Mode, employees complete eight business courses, read three books on leadership, attend lectures and workshops with experts across the business and ultimately present their task force initiatives to executive leadership. Employees learn how to have crucial conversations, inspire colleagues, navigate emotions effectively, turn strategy into results, embrace innovation and hone their decision-making skills.



### What are the task forces?

Beast Mode breaks out into cross-functional task forces based on employee interests to tackle real-world business problems and develop innovative solutions. Here is an example of a task force initiative from this year’s graduating class:

**Cans For a Cause:** Drink Green, Think Green: Cans for a Cause keeps recycling on brand for Monster by boosting employee and consumer awareness of sustainability through branded recycling bins, banners and QR codes that link to Monster’s sustainability initiatives. This project will be piloted in 2024. This same task force also researched Reverse Vending Machines as another potential future project.

## PUBLIC SPEAKING

Public speaking training is a frequently requested developmental area. Led by an in-house certified facilitator, Monster’s internal public speaking development program gives team members an opportunity to improve their communication and leadership skills. In 2023 the program had over 300 participants.

## MENTORSHIP

Our mentorship program saw remarkable engagement in 2023, with 774 active participants. In 2023, we transitioned to a new software platform, enhancing the program’s efficiency by facilitating seamless matching and connection tracking. This allows participants who apply for mentorship to receive potential matches tailored to their preferences. Once paired, they access a comprehensive mentoring framework that includes goal setting, task assignments and scheduling tools. Workshops are offered to provide mentors and mentees with the tools they need. These cover essential topics such as mentorship roles and responsibilities, finding motivation and the principles of motivational interviewing, goal setting and addressing obstacles, feedback best practices and building rapport. Monthly membership bulletins further enrich the program by providing stage-specific resources, ensuring participants maximize the program’s benefits at every step. With its holistic approach and innovative features, Monster’s mentorship program continues to empower individuals to unlock their full potential and drive professional growth.

## INTERNSHIP PROGRAM

In 2023, Monster welcomed 62 interns into our annual paid internship program, designed to provide college students with valuable experience and practical skills. Our program spans 12 weeks and includes a variety of components aimed at equipping interns with a comprehensive understanding of our business.

Throughout the program, interns participate in sessions that cover key topics essential to our industry, enhancing their knowledge and preparing them for future careers. Additionally, interns have access to coursework on our Monster University platform, where they can further develop their skills and deepen their understanding of the business.

Engagement with employees and fellow interns is encouraged, fostering a sense of community and collaboration. The program culminates in a final capstone project, where interns apply what they’ve learned to address real-world business challenges, showcasing their growth and achievements over the course of the internship.

## TUITION REIMBURSEMENT

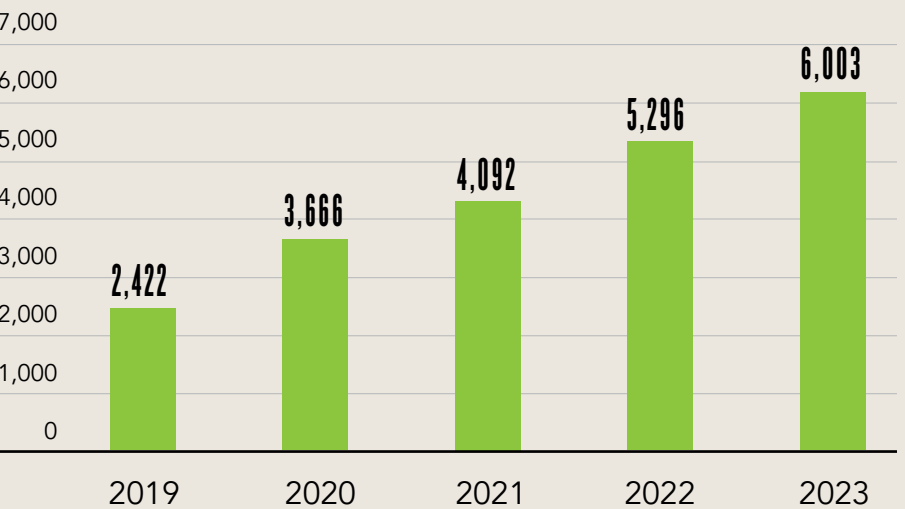
Our belief in investing in the growth and development of our employees extends beyond our walls to offer a comprehensive tuition reimbursement program, empowering eligible team members to pursue higher education and advance their careers. In 2023, we supported 13 of our U.S. team members in their pursuit of undergraduate and graduate-level job-related degree programs.

## RECRUITING AND RETENTION

Our Company’s strength lies in our dedicated and talented workforce, who embody our core values in every aspect of their work. We are committed to creating an environment that attracts and retains top talent by offering competitive compensation, comprehensive benefits, and opportunities for professional growth. Our range of health plans and employee rewards programs are designed to support the diverse needs of our team, helping each employee to thrive both personally and professionally.

FOR MORE INFORMATION ON JOBS AT MONSTER, VISIT OUR **CAREERS PAGE**.

### TOTAL EMPLOYEES (GLOBAL)





# PHILANTHROPY

The Monster Energy Cares Foundation serves as the philanthropic arm of Monster, dedicated to serving the communities in which we operate. Overseen by our Senior Vice President of Philanthropy, the foundation focuses on various initiatives, including aiding active duty, ill, injured and retired military personnel, supporting Monster athletes and their charities and extending assistance to local communities and first responders. We remain committed to growing our social responsibility and education programs, providing scholarships and support and sharing our efforts with our stakeholders in the years to come. Here are some notable highlights from our charitable ventures in 2023:


**Employee Volunteer Hours:** We offer paid Volunteer Time Off, allowing our employees designated time off to engage in volunteer activities. This initiative empowers our employees to create a positive impact and contribute meaningfully to causes they care about. In 2023, 340 employees in the U.S. and Canada collectively contributed 2,715 hours to charitable initiatives such as Doctors Without Borders, American Humane, The Autism Project, National MS Society, Special Olympics and RAD Camp.

**Double R Ranch:** In 2023, Monster volunteers participated in the demolition of an existing structure at Double R Ranch, a branch of the Orange County Rescue Mission, which will later undergo refurbishment and become the future Women’s and Children’s building.



**UCI’s Anti-Cancer Challenge:** Monster rallied 50 employees and their family members to join the University of California, Irvine’s (UCI) Anti-Cancer challenge. This inspiring community event aims to raise awareness and crucial funds for cancer research at the UCI Health Chao Family Comprehensive Cancer Center. We’re proud to have contributed to this effort, which raised over \$1 million for cancer research.

**Employee Match:** We support our team members’ charitable efforts by matching their contributions to the causes they care about. We match from \$25 to \$750 per employee annually. A total of 180 employees in the U.S. participated.



**Invictus Games:** Monster Energy and Monster Energy Cares worked together to sponsor the Invictus Games for the third consecutive running of the games. We also sponsored two teams for the Invictus Games, Team Ukraine, and one of the newest additions to the games, Team Nigeria. Additionally, we hosted an activation area featuring product samples and a demonstration area for BMX stunt riders to showcase their talents. Held in Dusseldorf, Germany, the 2023 Invictus games welcomed wounded, ill and injured soldiers from 21 countries to compete in adaptive sports competitions. These games inspire recovery, enabling participants to redefine their purpose, identity and future, beyond injury.

**High Fives Foundation:** In 2023, we sponsored the High Fives Foundation’s Truckee Fly Fishing Adaptive Camp and Montana Adaptive Fly Fishing Camp. These events brought adaptive athletes together for fresh air, fishing and community with others who share their experiences. Since 2022, Monster has partnered with the High Fives Foundation, a non-profit on a mission to shift what is possible for athletes and veterans who have experienced life-changing injuries, by providing resources such as rehabilitation programs, adaptive sports programs and an adaptive sports center.



**Bike MS:** Bay to Bay: Monster is proud to partner with the National Multiple Sclerosis (MS) Society in the fight against MS. For over 14 years, we’ve been a dedicated sponsor of the annual Bike MS: Bay to Bay Ride. Our team of riders cycle from Irvine to San Diego, raising critical funds to support research, advocacy and resources for those living with MS.



FOUR

PRODUCT RESPONSIBILITY

AT MONSTER, OUR PORTFOLIO OF PRODUCTS IS EVER-EVOLVING TO MEET OUR CUSTOMERS’ PREFERENCES. WE CLOSELY MONITOR SAFETY AND QUALITY OF OUR BEVERAGES.





# QUALITY PRODUCTS FOR EVERY CUSTOMER

At Monster, quality is paramount. We regularly travel to our key suppliers’ sites to ensure that production plants are operating to our standards. We adhere to strict internal quality guidelines for our products and processes, aligning to recognized industry best practices and frameworks for food safety, worker safety, material handling, and continuous improvement programs. Our brewery sites also follow the Brewers Association’s Good Manufacturing Practices (GMPs) and the 5S LEAN Manufacturing standard. 96 percent of our co-packers are certified to the standards set forth by the Global Food Safety Initiative (GSFI).

As of 2023, AFF is certified to the following standards and accreditation programs:

- Department of Halal Certification Europe
- U.S. Food and Drug Administration’s Hazard Analysis and Critical Control Points (HAACP) Food Safety Certified
- Islamic Food and Nutrition Council of America (IFANCA)
- OU Kosher
- Quality Assurance International (QAI) Certified Organic
- Safe Quality Food (SQF) Certified
- Star K Kosher Certification

Globally we are subject to and comply with various regulations regarding product formulation, labeling, packaging, and advertising, such as California Proposition 65 and FDA requirements on serving size and nutrition labeling, including disclosures of added sugars. We also adapt to international labeling requirements and ingredient restrictions in certain international markets.



# WATER QUALITY

Water is essential to all our products. We follow the standards on drinking water set by the World Health Organization (WHO) and the U.S. EPA. We take steps to ensure the highest quality water is used in our products — including the use of reverse osmosis for the vast majority of water in our products— and we conduct regular product sampling to evaluate quality throughout the manufacturing process. Our Water Stewardship Policy lays out our aim to maintain both the supply and quality of water to support our operations. *To find out more about our [Water Stewardship Policy](#), see ‘Water’ under the Environment section of this report.*



# OUR PRODUCT PORTFOLIO

Our extensive range of products is shaped to cater to different lifestyle choices. To answer the increasing demand for a variety of options amongst consumers, we have launched low sugar<sup>7</sup> and zero sugar versions of many of our energy drinks. For example, for our Monster Energy line, the large majority of our SKUs in the U.S. are classified as having low or zero sugar.

Our product portfolio continues to evolve to remain relevant to our end consumers. Below are some examples of our products that cater to ever-diversifying customer preferences. In 2023, we acquired Bang Energy®, a product line that is 100 percent vegan, gluten-free and with zero calories, sugar and artificial colors.



Within our alcoholic beverage portfolio, we have beer selections with lower alcohol content, namely Dale’s Light Lager and Jai Low.

<sup>7</sup> “Low sugar” is defined as having sugar content lower than 6 grams per 8 fluid ounces, which is approximately 25 percent less than our original Monster Energy® formulation.



# RESPONSIBLE CONSUMER ENGAGEMENT

We aim to be responsible in the messaging of our marketing and promotional materials and provide clear labeling across all products. We believe that one of the keys to success in the beverage industry is differentiation, making our brands and products visually appealing and distinct from other beverages. Alongside our priority of bringing quality products to the market, we engage our customers through various marketing strategies.

Globally, we are subject to a number of regulations applicable to the formulation, labeling, packaging, and advertising (including promotional campaigns) of our products. We follow marketing and labeling guidelines set forth by the American Beverage Association, and we do not market products to children under 12 years of age, as decreed by the International Council of Beverages Associations’ Global Policy on Marketing to Children. We also provide the caffeine content of our energy drinks on every product label and on our website. For our alcohol products, our websites require age-verification before entry and all advertising is targeted at individuals over the legal drinking age. We follow the Beer Institute’s Advertising and Marketing Code’s guidelines and require our partners to follow the same guidelines in our media contracts.

# PACKAGING

Sustainable packaging is a key consideration in the development of our products, and we strive to make our packaging resource-efficient. The primary and secondary packaging used to deliver our products to customers and consumers is readily recyclable. We have also made efforts to lightweight our packaging by using less material and increasing the use of recycled materials.

Packaging Fast Facts:

- Over 97 percent of Monster products are packaged in 100 percent recyclable aluminum cans.
- The PET material in bottles for Predator® products in Nigeria and Mozambique were reduced by more than 10 percent per bottle.
- We utilize a minimum of 10 percent recycled cardboard in our beverage carriers.
- The vast majority of our beverage products bears the recycling symbol.

ESTIMATED TOTAL WEIGHT OF PACKAGING – APPROXIMATELY 186,303 MT (GLOBAL)

MATERIAL TYPE	PACKAGING TYPE	WEIGHT (MT)
ALUMINUM <sup>i</sup>	PRIMARY	121,878
PLASTIC <sup>ii</sup>	PRIMARY, SECONDARY AND TERTIARY	41,253
PAPER/CARDBOARD <sup>iii</sup>	SECONDARY AND TERTIARY	23,172

<sup>i</sup> Estimated weight of aluminum cans, caps and ends purchased in 2023 (global)

<sup>ii</sup> Estimated weight of plastic bottles, drink carriers, plastic film, packaging sleeves and stickers/labels purchased in 2023

<sup>iii</sup> Estimated weight of paper/ cardboard trays purchased in 2023 (global)

## RECYCLING

We primarily use aluminum cans for finished products, which can be infinitely recycled. We continue our efforts to use recycled aluminum which requires 90 percent less energy to produce than virgin primary aluminum. We also continue to work with our industry partners and suppliers to support circularity and find innovative solutions for sustainable packaging.

We implement recycling efforts at our headquarters and regional offices. For example, we have three waste streams at our Corona headquarters to help divert recycling and compost from landfill.

IN IRELAND, 100 PERCENT OF OUR BPM PORTFOLIO USES RECYCLED PET.

IN THE U.K., WE SWITCHED FROM SHRINK FILM TO CARDBOARD FOR OUR 500 ML MULTIPACKS.

IN SPAIN AND PORTUGAL, PLASTIC HI-CONE CONTAINERS FOR MULTIPACKS WERE CHANGED TO PAPERBOARD COLLARS, REDUCING OUR RELIANCE ON PLASTIC.





# THE ELIXIR OF LIFE IN INFINITELY RECYCLED CANS

**Monster Tour Water** is the original and authentic Punk Rock premium canned water. Back in 2003, during our partnership with Vans Warped Tour, we were tasked with keeping everyone hydrated during performances. Tour Water was our way of supporting our musicians' and athletes' need to hydrate without polluting the planet with more plastic. Same Badass Monster lifestyle in a can, JUST WATER – Drink the Tour Life in a can.



## COLLABORATION WITH RESPONSIBLE PARTNERS:

One of our valued aluminum can suppliers has 23 production facilities in nine countries and over 6,000 employees.

In 2022, this can supplier's GHG emissions reduction targets achieved validation by the SBTi which are as follows:

- Reduce absolute Scope 1 and Scope 2 GHG emissions by 42 percent by 2030, in alignment with achieving a trajectory to limit global warming to 1.5 degrees.
- Reduce absolute Scope 3 GHG emissions by 12.3 percent by 2030.

This can supplier maintains transparency in its reporting of climate-related risks. For its 2023 CDP submission, our partner reached 'Management' level for its Water Security scores and 'Leadership' level for its Climate Change and Supplier Engagement scores. They also received a top-level Platinum Medal from EcoVadis for the second consecutive year.

When looking to the future, our supplier takes a holistic approach across its operations and supply chains. The company works in close collaboration with industry associations to increase recycled content and reduce emissions from materials and operations, and they have also prioritized lightweighting aluminum without sacrificing quality.

Through its work with the Can Manufacturers Institute (CMI), they funded a grant opportunity for additional can capture equipment in material recovery facilities (MRFs). This grant program has provided five MRFs with funding to install equipment that captures more than 95 million used aluminum beverage cans per year.

LRS- America's fifth largest independent waste diversion, recycling and portable services provider—is backed by funding from this supplier and other CMI members. Through this collaboration, LRS has implemented an



Image courtesy of EverestLabs

AI-enabled material sorting robot at its newly opened Chicagoland facility to maximize efficiency for the recovery and recycling of used beverage cans (UBCs). The robot helps LRS maintain quality control while recycling more than 350,000 pounds of aluminum each month, equating to approximately 12 million aluminum beverage cans.



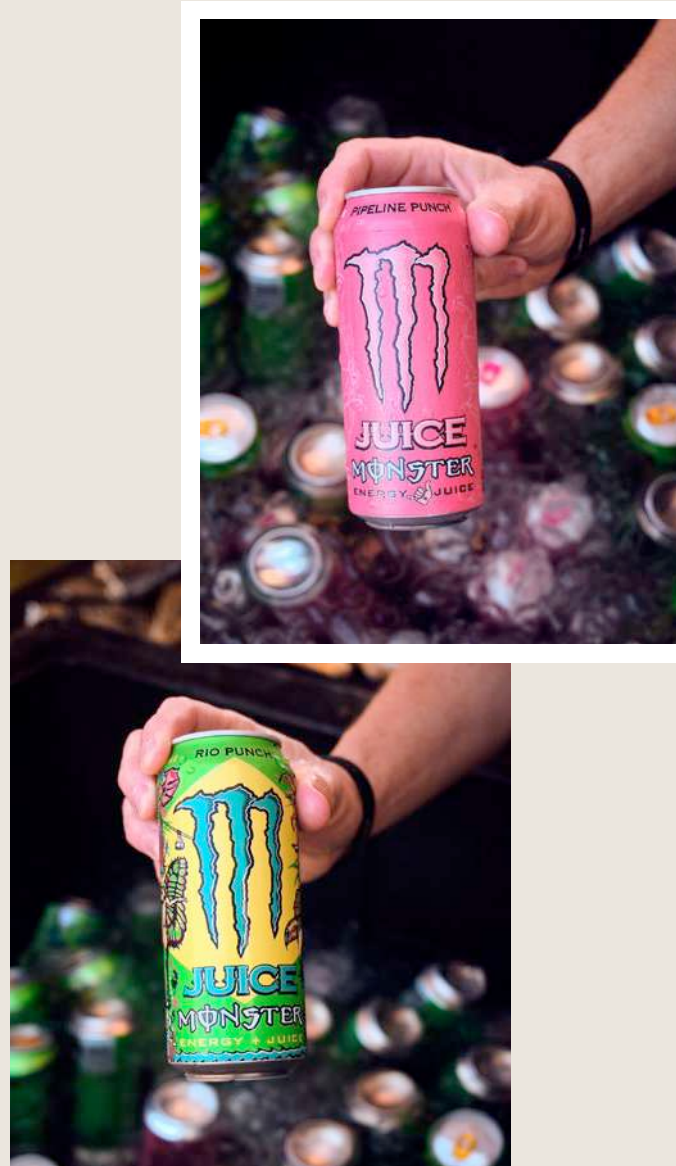
# AFF: AUTHENTIC AND SUSTAINABLE FLAVOR

## WHAT ROLE DOES FLAVOR PLAY IN SUSTAINABILITY?

Flavors play a role in sustainability initiatives in several ways. Flavorings deliver consistent beverage profiles, extend the product shelf life and reduce food waste. Flavorings can be used to create concentrated flavor bases, reducing the need for large quantities of raw ingredients in food and beverage production. This can lead to more efficient use of resources such as crops, water, land, and energy, thereby reducing the environmental footprint of beverage manufacturing.

## HOW ARE JUICE CONCENTRATES OR FLAVORS SUSTAINABLE SOLUTIONS?

Concentrated juices, which are typically five or more times more concentrated than single-strength juices, offer an efficient means of preserving fruit flavor and nutrients while reducing transportation and storage costs. By removing water content, concentrates require less space and energy for shipping and storage, thus minimizing environmental impact. With just a small amount of flavor needed to impart a desired taste, flavors are highly efficient and cost-effective.



# IMPROVING EFFICIENCY AND QUALITY IN OUR BREWERIES

One of our strategies to reduce costs and our environmental footprint is to localize manufacturing and operations wherever feasible. We believe this approach also helps build communities and empowers local industries as we source high quality raw ingredients for our beverages. For Monster Brewing Company, 99 percent of our hops and barley are sourced from farms in North America, with the remainder sourced from New Zealand and Europe. The largest proportion of hops are sourced from Washington and Idaho, while barley is sourced from across the U.S. and Canada.

In our breweries, one of our main goals of the past few years has been reducing the use of CO2 in our processes while improving the quality of our end products. For example, at our Longmont brewery in 2023, we invested in machinery to enhance quality and reduce CO2 usage. This included automated blending equipment and volumetric fillers that deliver a more consistent fill volume, the installation of a nitrogen generation system, and a de-aerated water system plant that uses a vacuum pump rather than CO2

stripping to remove oxygen. Before installing the nitrogen generator, we had to use CO2 for every process that required a compressed oxygen free gas; with the nitrogen generator we were able to replace several of these processes. Between the nitrogen generator and the new column, we cut the facility's CO2 usage per finished barrel in half.

We have also reduced wastewater and chemical usage in cleaning our tanks. Our old process for cleaning tanks involved using around 75 gallons of water and chemicals, with each tank using its own rinse water and chemicals for every cleaning. We added a Clean-in-Place (CIP) system that uses conductivity meters to only add chemicals as needed, allowing us to re-use large amounts water. This also enhances safety by reducing the manual handling of chemicals by team members.



FIVE

# GOVERNANCE

GUIDED BY OUR BOARD OF DIRECTORS, WE AIM TO UPHOLD OUR ESG COMMITMENTS AND COMPANY VALUES WHILE MANAGING RISKS EFFECTIVELY.





# OVERSIGHT OF SUSTAINABILITY

## EXECUTIVE & BOARD OVERSIGHT

Our Board of Directors (the “Board”) maintains oversight of Monster’s sustainability efforts and is integral to our commitment to sustainability and responsible business practices. The Audit Committee maintains responsibility for sustainability, including monitoring progress towards Monster’s climate-related goals and targets, while the Compensation Committee maintains responsibility for DEI oversight. On a quarterly basis, the Audit Committee Chair provides comprehensive updates on the current progress and planned sustainability initiatives to the entire Board, ensuring ongoing transparency and accountability.

The Board’s competence on sustainability matters is bolstered by the professional experience of its members. Their collective expertise, including prior roles and responsibilities held throughout their careers as well as participation on other boards, enhances Monster’s ability to effectively navigate and address sustainability challenges and opportunities.

## BOARD OF DIRECTORS

Our Board is comprised of ten Directors, the majority of whom are independent, as defined by SEC rules. The Board operates with a strong emphasis on accountability, transparency, and oversight. The composition of the Board includes individuals with varied backgrounds and experiences, ensuring a well-rounded perspective in the decision-making process. The Board establishes specialized committees, comprised entirely of independent directors, to assist in its responsibilities.

NAME	AUDIT COMMIT-TEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE	COMPENSA-TION COMMIT-TEE
Ana Demel			
James L. Dinkins			
Gary P. Fayard	●	●	●
Mark J. Hall			
Tiffany M. Hall			
Jeanne P. Jackson			●
Steven G. Pizula	◆	●	
Rodney C. Sacks			
Hilton H. Schlosberg			
Mark S. Viderguaz*	●	◆	◆

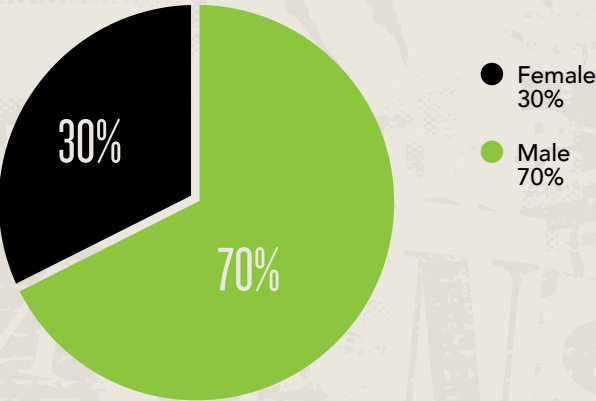
\* LEAD INDEPENDENT DIRECTOR

◆ CHAIR

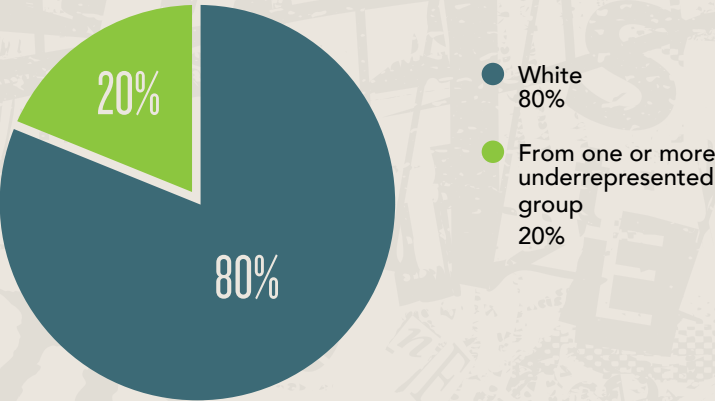
● MEMBER

## BOARD DIVERSITY

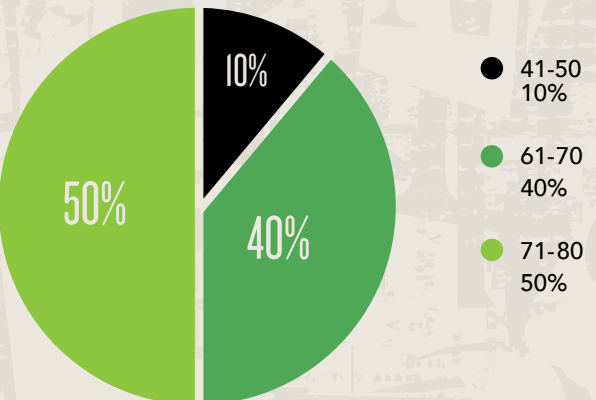
### GENDER DIVERSITY



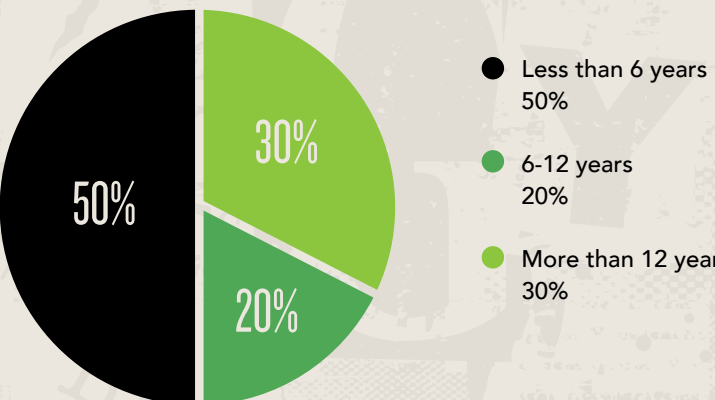
### ETHNIC DIVERSITY



### AGE DIVERSITY



### BOARD TENURE





# RISK MANAGEMENT

At Monster, we embrace a proactive approach to risk management. Through identification, assessment and mitigation strategies, we safeguard against potential threats while seeking opportunities for sustainable growth and innovation.

As a global company we recognize the importance of staying ahead of new legal and regulatory changes that can have an impact on our business practices and reporting obligations. We’ve taken steps to understand our current level of compliance with applicable regulations. Our Task Force on Climate-related Financial Disclosures (TCFD) index can be found at end of this report. Our latest CDP responses are publicly available and can be viewed here:

<https://www.monsterbevcorp.com/media/2023-CDP-Climate-Change-Questionnaire.pdf>

<https://www.monsterbevcorp.com/media/2023-CDP-Water-Security-Questionnaire.pdf>

We remain committed to sustainable practices in the face of environmental uncertainties. Just as it does the planet, climate-related issues such as extreme weather and increasing temperatures can put our supply chain under significant pressure — and not just from the resultant regulatory changes.

As part of ongoing efforts to mitigate these risks, Monster has taken steps to localize operations in certain high-risk regions, so as to remain close to our customers while reducing the number of miles travelled. This allows us to offer the same high-quality products in a more environmentally friendly and cost-efficient manner.





# ETHICS

We strive to uphold the highest standards of ethics and integrity in all aspects of our operations. We are committed to respecting human rights, complying with all applicable laws and regulations, and fostering a culture of transparency and accountability. We prohibit all forms of discrimination and harassment, strive for fair treatment of our employees and actively work to prevent conflicts of interest. We have zero tolerance for corruption or bribery in any form. Every employee is required to review and acknowledge our Code of Business Conduct and Ethics, which clearly explain these expectations. Employees are encouraged to talk to their supervisors or managers if they observe illegal or unethical behaviors within the Company or our supply chain.

## DATA PRIVACY

We recognize the critical importance of data privacy and security in today’s interconnected world. As part of our business, we collect certain personal information regarding our employees, directors, officers, customers, suppliers, contractors, consumers and others. All employees, officers and directors are expected to protect and preserve the privacy and confidentiality of all personal information. Our data privacy policies and practices are designed to not only comply with relevant regulations and industry standards, but also to instill trust and confidence in our stakeholders regarding our responsible handling of data across all facets of our operations.

## HUMAN RIGHTS AND MODERN SLAVERY

At Monster, we’re firmly committed to promoting and protecting human rights throughout our operations and value chain. [Our Human Rights Policy](#), which was created in alignment with the United Nations Declaration of Human Rights and the International Labor Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work, addresses a range of issues such as:

- Forced labor and human trafficking
- Child labor
- Workplace health and safety
- Workplace security
- Work hours, wages and benefits
- Freedom of association and collective bargaining
- Employee reporting
- Diversity and inclusion

We are deeply committed to combating slavery and human trafficking in all forms, and we actively engage with stakeholders and suppliers to ensure the safety of our team members and partners. Oversight of our human rights initiatives and risks is conducted by our Board, while managers from our Quality Assurance, Procurement and Legal teams work together to implement and refine our Human Rights Policy and initiatives, including our Supplier Code of Conduct.

We prioritize employee training and require all employees whose work relates to supply chain management to attend mandatory training on identifying and combating forced labor and human trafficking. Specialized training is also provided for our Internal Audit team to help them recognize the risks and signs of slavery and human trafficking in their audits. We provide slavery and human trafficking awareness training for medium- and high-risk suppliers.

In our commitment to combating forced labor, we take a comprehensive approach to addressing these risks in our business operations and supply chains. Adherence to our Supplier Code of Conduct is a contractual requirement pursuant to the terms and conditions of our energy drink purchase orders and for the majority of our written energy drink supplier contracts. Further, we recognize that certain groups experience heightened vulnerability, and we take proactive measures to safeguard them against discrimination by conducting thorough reviews of suppliers’ practices. We’ve partnered with a leading supply chain risk management service to utilize the Slavery and Trafficking Risk Template (STRT) to evaluate and mitigate modern slavery risks across our supply chain. Using this data-driven risk assessment approach, we pinpoint suppliers at higher risk for modern slavery and human trafficking, particularly in industries like sugar, coffee, and tea. Engaging with these suppliers, we address policy and practice gaps through corrective action plans, integrating lessons learned to continuously improve our anti-slavery and human trafficking efforts.



## ETHICS HOTLINE

At Monster, we believe in transparency, accountability, and a workplace in which open and honest communication is valued and respected. Should employees observe unethical or illegal behavior both within Monster’s operations and broader supply chain, they are encouraged to report to their supervisors or managers.

Additionally, any team member or stakeholder may use our confidential and anonymous reporting hotline at (800) 506-4310 (U.S.) or (844) 815-4398 (international) or submit a report anonymously in writing via [MyComplianceReport.com](#) using access code MEC.



SIX

# APPENDIX





## SASB INDEX

This report marks our first year of reporting information in alignment with the Sustainability Accounting Standards Board (SASB) Version 2023-12 for the Non-Alcoholic Beverages Industry of the Food and Beverage sector. Alcohol beverages make up only 2.6 percent of our total revenue; however, we have included certain disclosure from SASB Version 2023-12 for the Alcoholic Beverages Industry of the Food and Beverage sector. Metrics may be reported in aggregate for the entire company or separated by non-alcoholic or alcoholic operations.

Our disclosures can be categorized into the following reporting statuses:

- Reported: All parts of the metric are fully reported.
- Reported, with gaps: Information that we have available at this time is reported and partially addresses the metric requirements.
- Not reported: We are unable to report on this metric at this time due to reasons of confidentiality or information unavailability.

Unless otherwise noted, information in this table is as of December 31, 2023. All monetary values are reported in U.S. dollars.



## FLEET FUEL MANAGEMENT

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
FLEET FUEL CONSUMED, PERCENTAGE RENEWABLE	FB-NB-110A.1	QUANTITATIVE	GIGAJOULES (GJ), PERCENTAGE (%)	REPORTED	AGGREGATED FOR ALCOHOLIC AND NON-ALCOHOLIC DATA	130,670 GJ  0.06% RENEWABLE (BIODIESELS )	MONSTER'S INTERNAL GHG INVENTORY

## ENERGY MANAGEMENT

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
(1) OPERATIONAL ENERGY CONSUMED,	FB-NB-130A.1/ FB-AB-130A.1	QUANTITATIVE	GIGAJOULES (GJ), PERCENTAGE (%)	REPORTED	AGGREGATED FOR ALCOHOLIC AND NON-ALCOHOLIC DATA	(1) 269,815 GJ	2023 SUSTAINABILITY REPORT, GLOBAL ENERGY CONSUMPTION
(2) PERCENTAGE GRID ELECTRICITY AND						(2) 50.4% GRID ELECTRICITY	
(3) PERCENTAGE RENEWABLE						(3) 2.8% RENEWABLE ENERGY CON-SUMED (SOLAR PANELS)	



WATER MANAGEMENT

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
(1) TOTAL WATER WITHDRAWN, PERCENTAGE IN REGIONS WITH HIGH OR EXTREMELY HIGH BASELINE WATER STRESS,  (2) TOTAL WATER CONSUMED; PERCENTAGE IN REGIONS WITH HIGH OR EXTREMELY HIGH BASELINE WATER STRESS	FB-NB-140A.1/FB-AB-140A.1	QUANTITATIVE	THOUSAND CUBIC METERS (M³), PERCENTAGE (%)	REPORTED	NON-AGGREGATED	(1) 402,870 M3 TOTAL WITHDRAWN (65.1% FROM REGIONS OF WATER STRESS)  - 152,538 M3 FROM MONSTER AND AFF OPERATIONS (NON-ALCOHOLIC) (74.9% FROM REGIONS OF WATER STRESS)  - 250,332 M3 FROM MONSTER BREWING OPERATIONS (ALCOHOLIC) (59.1% FROM REGIONS OF WATER STRESS)  (2) 150,687 M3 TOTAL CONSUMED (69.9% FROM REGIONS OF WATER STRESS)  - 55,174 M3 FROM MONSTER AND AFF OPERATIONS (NON-ALCOHOLIC) (85.9% FROM REGIONS OF WATER STRESS)  - 95,513 M3 FROM MONSTER BREWING OPERATIONS (ALCOHOLIC) (60.7% FROM REGIONS OF WATER STRESS)	2023 SUSTAINABILITY REPORT, ASSESSING WATER-RELATED RISKS
DESCRIPTION OF WATER MANAGEMENT RISKS AND DISCUSSION OF STRATEGIES AND PRACTICES TO MITIGATE THOSE RISKS	FB-NB-140A.2/ FB-AB-140A.2	DISCUSSION AND ANALYSIS	DESCRIPTION	REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	IN MONSTER’S 2023 CDP WATER RESPONSE, WE DESCRIBE OUR PROCESS FOR WATER MANAGEMENT, INCLUDING STRATEGIES AND PRACTICES FOR RISK MITIGATION.	2023 SUSTAINABILITY REPORT, ASSESSING WATER-RELATED RISKS  CDP 2023 WATER SECURITY



HEALTH AND NUTRITION

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
REVENUE FROM  (1) ZERO- AND LOW-CALORIE OR ENERGY-FREE AND LOW ENERGY,  (2) NO-ADDED-SUGAR, AND  (3) ARTIFICIALLY SWEETENED BEVERAGES	FB-NB-260A.1	QUANTITATIVE	REPORTING CURRENCY	REPORTED	NON-AGGREGATED (NON-ALCOHOLIC ONLY)	<p>ALL PRODUCT FORMULATIONS THAT ARE PRIMARILY SUGAR SWEETENED CONTAIN SMALL AMOUNTS OF ARTIFICIAL SWEETENER. THE MAJORITY OF OUR ARTIFICIALLY SWEETENED PRODUCTS ALSO CONTAIN SMALL AND NEGLIGIBLE AMOUNTS OF SUGAR, WITH THE FOLLOWING BRANDS FULLY ARTIFICIALLY SWEETENED: REIGN®, REIGN STORM®, REIGN INFERNO®, BANG ENERGY® AND ULTRA ENERGY®. THE FOLLOWING REPORTED FIGURES ARE BASED ON 2023 GROSS SALES.</p> <p>(1) ZERO- AND LOW-CALORIE OR ENERGY-FREE AND LOW ENERGY: \$6.0 BILLION</p> <p>(2) NO-ADDED-SUGAR: \$2.8 BILLION</p> <p>(3) ARTIFICIALLY SWEETENED BEVERAGES: \$3.7 BILLION</p>	2023 SUSTAINABILITY REPORT, OUR PRODUCT PORTFOLIO
DISCUSSION OF THE PROCESS TO IDENTIFY AND MANAGE PRODUCTS AND INGREDIENTS RELATED TO NUTRITIONAL AND HEALTH CONCERNS AMONG CONSUMERS	FB-NB-260A.2	DISCUSSION AND ANALYSIS	DESCRIPTION	REPORTED	NON-ALCOHOLIC	<p>CHANGES IN CONSUMER PREFERENCES TOWARDS HEALTH, WELLNESS, AND NUTRITIONAL CONSIDERATIONS, INCLUDING CONCERNS ABOUT SUGAR INTAKE, ARTIFICIAL INGREDIENTS, AND ALCOHOL CONSUMPTION, INFLUENCE OUR PRODUCT DEVELOPMENT. CONSUMERS ARE ALSO SEEKING GREATER VARIETY AND INNOVATION IN BEVERAGES. TO MEET THESE DEMANDS, MONSTER ENERGY EMPLOYS MULTIPLE PROCESSES TO ENSURE PRODUCT QUALITY, INGREDIENT SAFETY, WATER QUALITY, AND ACCURATE LABELING. WE ALSO ADAPT TO CHANGING SHOPPING PATTERNS BY ENGAGING WITH CONSUMERS ON DIGITAL PLATFORMS AND E-COMMERCE CHANNELS.</p>	2023 SUSTAINABILITY REPORT, RESPONSIBLE CONSUMER ENGAGEMENT; QUALITY PRODUCTS FOR EVERY CUSTOMER; OUR PRODUCT PORTFOLIO



PRODUCT LABELING AND MARKETING

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
PERCENTAGE OF ADVERTISING IMPRESSIONS  (1) MADE ON CHILDREN AND  (2) MADE ON CHILDREN PROMOTING PRODUCTS THAT MEET DIETARY GUIDELINES	FB-NB-270A.1	QUANTITATIVE	PERCENTAGE (%)	REPORTED, WITH GAPS	NON-ALCOHOLIC	WE DO NOT SPECIFICALLY MARKET PRODUCTS TO CHILDREN UNDER 12 YEARS OF AGE, AS ESTABLISHED BY THE INTERNATIONAL COUNCIL OF BEVERAGES ASSOCIATIONS’ GLOBAL POLICY ON MARKETING TO CHILDREN.	2023 SUSTAINABILITY REPORT, RESPONSIBLE CONSUMER ENGAGEMENT
REVENUE FROM PRODUCTS LABELED AS  (1) CONTAINING GENETICALLY MODIFIED ORGANISMS (GMOS) AND  (2) NON-GMO	FB-NB-270A.2	QUANTITATIVE	REPORTING CURRENCY	REPORTED, WITH GAPS	NON-ALCOHOLIC	WE DO NOT GENERATE REVENUE FROM PRODUCTS CONTAINING GMOS. ALL PRODUCTS IN THE U.S. ARE CLASSIFIED AS NON-BIOENGINEERED AND ALL PRODUCTS SOLD IN EUROPE, MIDDLE EAST, AND AFRICA (EMEA) DO NOT CONTAIN GMOS THOUGH THEY ARE NOT MARKETED AS SUCH EXCEPT FOR OUR REIGN STORM® NORTH AMERICAN LINE WHICH IS SPECIFICALLY LABELED AS GMO-FREE.	2023 SUSTAINABILITY REPORT, OUR PRODUCT PORTFOLIO
NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH INDUSTRY OR REGULATORY LABELING OR MARKETING CODES	FB-NB-270A.3	QUANTITATIVE	NUMBER	REPORTED	NON-ALCOHOLIC	IN 2023, MONSTER DID NOT HAVE ANY INSTANCES OF NON-COMPLIANCE WITH INDUSTRY OR REGULATORY LABELING OR MARKETING CODES FOR NON-ALCOHOLIC PRODUCTS.	2023 SUSTAINABILITY REPORT, RESPONSIBLE CONSUMER ENGAGEMENT
TOTAL AMOUNT OF MONETARY LOSSES AS A RESULT OF LEGAL PROCEEDINGS ASSOCIATED WITH MARKETING OR LABELING PRACTICES	FB-NB-270A.4	QUANTITATIVE	REPORTING CURRENCY	REPORTED	NON-ALCOHOLIC	IN 2023, MONSTER DID NOT INCUR ANY MATERIAL MONETARY LOSSES AS A RESULT OF LEGAL PROCEEDINGS ASSOCIATED WITH MARKETING OR LABELING PRACTICES FOR NON-ALCOHOLIC PRODUCTS.	2023 SUSTAINABILITY REPORT, RESPONSIBLE CONSUMER ENGAGEMENT  MONSTER 10-Q (AUGUST, 2024)



PACKAGING LIFECYCLE MANAGEMENT

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE												
(1) TOTAL WEIGHT OF PACKAGING,  (2) PERCENTAGE MADE FROM RECYCLED OR RENEWABLE MATERIALS, AND  (3) PERCENTAGE THAT IS RECYCLABLE, REUSABLE OR COMPOSTABLE	FB-NB-410A.1/ FB-AB-410A.1	QUANTITATIVE	METRIC TONNES (T), PERCENTAGE (%)	REPORTED	AGGREGATED FOR ALCOHOLIC AND NON-ALCOHOLIC DATA	<p>MONSTER PRIMARILY USES ALUMINUM FOR BEVERAGE PACKAGING. WE USE POLYETHYLENE TEREPHTHALATE (PET) FOR SOME PRODUCTS AND PAPER AND CARDBOARD AS SECONDARY AND TERTIARY PACKAGING. WE HAVE PROVIDED THE ESTIMATED TOTAL WEIGHT OF PACKAGING, RECYCLED CONTENT AND RECYCLABILITY ACROSS THESE THREE MATERIALS.</p> <p>(1) TOTAL WEIGHT OF PACKAGING – APPROXIMATELY 186, 303 MT (GLOBAL)</p> <table><tr><td>Material Type</td><td>Packaging Type</td><td>Weight (MT)</td></tr><tr><td>Aluminum<sup>i</sup></td><td>Primary</td><td>121,878</td></tr><tr><td>Plastic<sup>ii</sup></td><td>Primary, Secondary and Tertiary</td><td>41,253</td></tr><tr><td>Paper/Cardboard<sup>iii</sup></td><td>Secondary and Tertiary</td><td>23,172</td></tr></table> <p><sup>i</sup> ESTIMATED WEIGHT OF ALUMINUM CANS, CAPS AND ENDS PURCHASED IN 2023 (GLOBAL)</p> <p><sup>ii</sup> ESTIMATED WEIGHT OF PET/PLASTIC BOTTLES, DRINK CARRIERS, PLASTIC FILM, PACKAGING SLEEVES AND STICKERS/LABELS PURCHASED IN 2023</p> <p><sup>iii</sup> ESTIMATED WEIGHT OF PAPER/CARDBOARD TRAYS PURCHASED IN 2023 (GLOBAL)</p> <p>(2) PERCENTAGE MADE FROM RECYCLED MATERIALS – 100% OF OUR PRIMARY PACKAGING MATERIALS, SUCH AS ALUMINUM AND HDPE, ARE MADE FROM VARYING AMOUNTS OF RECYCLED MATERIALS, WHILE OUR SECONDARY AND TERTIARY PACKAGING SUCH AS PAPER OR CARDBOARD CONTAINS 10% RECYCLED CONTENT AT MINIMUM. ADDITIONALLY, FOR BPM® SKUS IN IRELAND, ALL PET BOTTLES MOVED FROM 100% VIRGIN PET TO 100% RECYCLED PET (RPET).</p> <p>(3) PERCENTAGE THAT IS RECYCLABLE – 100% OF OUR PRIMARY PACKAGING , SUCH AS ALUMINUM CANS AND ENDS AND HDPE BOTTLES, ARE RECYCLABLE. OUR SECONDARY AND TERTIARY PACKAGING MADE FROM PAPER AND CARDBOARD CAN ALSO BE 100% RECYCLABLE.</p>	Material Type	Packaging Type	Weight (MT)	Aluminum <sup>i</sup>	Primary	121,878	Plastic <sup>ii</sup>	Primary, Secondary and Tertiary	41,253	Paper/Cardboard <sup>iii</sup>	Secondary and Tertiary	23,172	2023 SUSTAINABILITY REPORT, PACKAGING
Material Type	Packaging Type	Weight (MT)																	
Aluminum <sup>i</sup>	Primary	121,878																	
Plastic <sup>ii</sup>	Primary, Secondary and Tertiary	41,253																	
Paper/Cardboard <sup>iii</sup>	Secondary and Tertiary	23,172																	

➞ CONTINUED ON PG 76



PACKAGING LIFECYCLE MANAGEMENT CONTINUED

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
DISCUSSION OF STRATEGIES TO REDUCE THE ENVIRONMENTAL IMPACT OF PACKAGING THROUGHOUT ITS LIFECYCLE	FB-NB-410A.2/ FB-AB-410A.2	DISCUSSION AND ANALYSIS	DESCRIPTION	REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	<p>IN NEARLY EVERY MARKET, PRIMARY AND SECONDARY PACKAGING USED TO DELIVER OUR PRODUCTS TO CUSTOMERS AND CONSUMERS IS READILY RECYCLABLE.</p> <p>WE ALSO PURSUE PARTNERSHIPS TO PROMOTE RECYCLING WITH OUR VENDORS AND DISTRIBUTORS.</p>	2023 SUSTAINABILITY REPORT, PACKAGING

ENVIRONMENTAL AND SOCIAL IMPACTS OF INGREDIENT SUPPLY CHAIN

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
SUPPLIERS’ SOCIAL AND ENVIRONMEN- TAL RESPONSIBILITY AUDIT (1) NON-CON- FORMANCE RATE AND (2) ASSOCIATED CORRECTIVE ACTION RATE FOR (A) MAJOR AND (B) MINOR NON-CONFOR- MANCES	FB-NB-430A.1/ FB-AB-430A.1	QUANTITATIVE	RATE	NOT REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	AT MONSTER, WE MITIGATE ENVIRONMENTAL AND SOCIAL RISKS WITHIN OUR SUPPLY CHAIN. WE RECOGNIZE THAT CERTAIN GROUPS EXPERIENCE HEIGHT- ENED VULNERABILITY AND TAKE PROACTIVE MEASURES TO SAFEGUARD AGAINST DISCRIMINATION BY CONDUCTING THOROUGH REVIEWS OF SUPPLI- ERS’ PRACTICES. WE UTILIZE THE STRT TO EVALUATE AND MITIGATE MODERN SLAVERY RISKS ACROSS OUR SUPPLY CHAIN.	2023 SUSTAINABILITY REPORT, HUMAN RIGHTS AND MODERN SLAVERY



INGREDIENT SOURCING

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
PERCENTAGE OF BEVERAGE INGREDIENTS SOURCED FROM REGIONS WITH HIGH OR EXTREMELY HIGH BASELINE WATER STRESS	FB-NB-440A.1/ FB-AB-440A.1	QUANTITATIVE	PERCENTAGE (%) BY COST	NOT REPORTED	ALCOHOLIC AND NON-ALCOHOLIC DATA	INFORMATION ON THE PERCENTAGE OF BEVERAGE INGREDIENTS SOURCED FROM REGIONS OF HIGH BASELINE WATER STRESS IS CURRENTLY NOT AVAILABLE.	2023 SUSTAINABILITY REPORT, WATER
LIST OF PRIORITY BEVERAGE INGREDIENTS AND DISCUSSION OF SOURCING RISKS RELATED TO ENVIRONMENTAL AND SOCIAL CONSIDERATIONS	FB-NB-440A.2/ FB-AB-440A.2	DISCUSSION AND ANALYSIS	DESCRIPTION	NOT REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	WE ARE WORKING TO ADDRESS RISKS ASSOCIATED WITH WATER STRESS, DEFORESTATION AND HUMAN RIGHTS.	2023 SUSTAINABILITY REPORT, WATER; HUMAN RIGHTS AND MODERN SLAVERY

ACTIVITY METRICS

SASB METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	REPORTING STATUS	DATA SCOPE	RESPONSE	REFERENCE
VOLUME OF PRODUCTS SOLD	FB-NB-000.A/FB-AB-000.A	QUANTITATIVE	MILLIONS OF HECTOLITERS (MHL)	REPORTED, WITH GAPS	ALCOHOLIC AND NON-ALCOHOLIC	<p>CASE SALES FOR OUR ENERGY DRINK PRODUCTS, IN 192-OUNCE CASE EQUIVALENTS, WERE 769.2 MILLION CASES (NON-ALCOHOLIC).</p> <p>WE SOLD 13.1 MILLION CASES, IN 192-OUNCE CASE EQUIVALENTS), AND 0.6 MILLION BARRELS OF CRAFT BEERS, HARD SELTZERS, AND FMBS. ONE BARREL IS EQUIVALENT TO 31 U.S. GALLONS (ALCOHOLIC).</p> <p>NET SALES FOR AFF WERE \$23.5 MILLION.</p>	2023 SUSTAINABILITY REPORT, MONSTER ENERGY OVERVIEW
NUMBER OF PRODUCTION FACILITIES	FB-NB-000.B/FB-AB-000.B	QUANTITATIVE	NUMBER	REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	<ul style="list-style-type: none"><li>3 OPERATIONAL BEVERAGE PRODUCTION FACILITIES (NON-ALCOHOLIC)</li><li>6 BREWERIES (ALCOHOLIC)</li></ul>	2023 SUSTAINABILITY REPORT, MONSTER ENERGY OVERVIEW
TOTAL FLEET ROAD KILOMETERS TRAVELED	FB-NB-000.C/FB-AB-000.C	QUANTITATIVE	KILOMETERS (KM)	NOT REPORTED	ALCOHOLIC AND NON-ALCOHOLIC	INFORMATION ON THE TOTAL FLEET ROAD KILOMETERS TRAVELED IS CURRENTLY NOT AVAILABLE. WE ARE WORKING TO IMPROVE OUR DATA COLLECTION THROUGH ECOBEAST, OUR BESPOKE DATA COLLECTION PLATFORM.	MONSTER’S INTERNAL GHG INVENTORY



## TCFD INDEX

This index references Monster Beverage Corporation’s reporting against the recommendations set forth by the Taskforce on Climate-related Financial Disclosure (TCFD), a set of voluntary recommendations for consistent disclosures on climate-related financial risks. Unless otherwise noted, our disclosures reflect information as of December 31, 2023. Additional information may be available in our CDP Climate Change response or our financial filings with the SEC.

In early 2024, we formally committed to setting a near-term science-based target through the SBTi for submission and validation.

Building from the findings from our initial climate risk screening, we plan to conduct a full scenario analysis, covering our global business and supply chain, to further assess and understand the resilience of our operations and current strategy for climate-related risks and opportunities. In addition, we have completed a number of initiatives to support our understanding and mitigation of potential climate-related impacts:

- Climate risk screening: In 2023, we conducted our first climate-related risk screening. The assessment evaluated various key production sites as well as our headquarters site and covered multiple physical and transition risks through a range of scenarios and time horizons. This preliminary assessment lays the foundation for a more comprehensive evaluation of our full operations and value chain.
- Supply chain engagement (EcoBeast™): We launched our EcoBeast™ platform in 2021 to collect accurate, relevant data on key topics such as emissions, energy, and water usage to establish baselines towards performance progress.
- Localization of operations: Monster’s ingredients and products often travel long distances, as our freight partners transport them from procurement sites to manufacturing, co-packing, bottling or distribution sites. We are continuously assessing for opportunities in our operations manufacturing strategy that will enable us to provide products closer to our customers while offering the same high quality in a resource efficient manner and have completed a number of projects related to this.



## GOVERNANCE

TCFD RECOMMENDATION	RESPONSE	REPORTING STATUS	REFERENCE
A) DESCRIBE THE BOARD’S OVER-SIGHT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES.	THE AUDIT COMMITTEE OF THE BOARD ALSO REVIEWS AND DISCUSSES WITH MANAGEMENT KEY ASPECTS OF THE COMPANY’S ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) AND SUS-TAINABILITY INCLUDING THE COMPANY’S INITIATIVES, POLICIES, PRACTICES AROUND CLIMATE-RELATED ISSUES AND REPORTING RELATED TO ESG AND SUSTAINABILITY AND OVERSEES CLIMATE-RELATED GOALS AND TARGETS.	REPORTED	CDP 2023 CLIMATE CHANGE C1.1A, C1.1B
B) DESCRIBE MANAGEMENT’S ROLE IN ASSESSING AND MAN-AGING CLIMATE-RELATED RISKS AND OPPORTUNITIES.	MONSTER HAS MULTIPLE MANAGEMENT POSITIONS WHO ARE RESPONSIBLE FOR ASSESSING AND MANAGING CLIMATE-RELAT-ED RISKS AND OPPORTUNITIES, INCLUDING THE EXECUTIVE VICE PRESIDENT (EVP) OF LEGAL (WHO REPORTS TO THE BOARD), AFF PRESIDENT, FACILITY MANAGER, VP OF PROCUREMENT AND SENIOR DIRECTOR OF OPERATIONS.	REPORTED	CDP 2023 CLIMATE CHANGE C1.2



STRATEGY

TCFD RECOMMENDATION	RESPONSE	REPORTING STATUS	REFERENCE
A) DESCRIBE THE CLIMATE-RELATED RISKS AND OPPORTUNITIES THE ORGANIZATION HAS IDENTIFIED OVER THE SHORT, MEDIUM, AND LONG TERM.	MONSTER HAS IDENTIFIED CLIMATE-RELATED RISKS AND OPPORTUNITIES; SEE 2023 CDP CLIMATE CHANGE RESPONSE FOR DETAILS.	REPORTED, WITH GAPS	CDP 2023 CLIMATE CHANGE C2.1A, C2.3, C2.3A, C2.4, C2.4A  2023 FORM 10-K: ITEM 1A RISK FACTORS
B) DESCRIBE THE IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION’S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING.	<p>CLIMATE-RELATED RISKS AND OPPORTUNITIES HAVE INFLUENCED OUR STRATEGY IN MULTIPLE AREAS, INCLUDING OUR PRODUCTS, SUPPLY CHAIN AND OPERATIONS. WE ARE EVALUATING THE POTENTIAL INFLUENCE ON OUR INVESTMENT IN RESEARCH AND DEVELOPMENT (R&amp;D). RISKS AND OPPORTUNITIES HAVE ALSO INFLUENCED CERTAIN FINANCIAL PLANNING ELEMENTS.</p> <p>IN 2023, WE CONDUCTED OUR FIRST CLIMATE-RELATED RISK SCREENING FOR KEY SITES AND COVERED MULTIPLE PHYSICAL AND TRANSITION RISKS AND DIFFERENT SCENARIOS. THIS SCREENING IS A FIRST STEP TOWARDS A FULL CLIMATE-RELATED SCENARIO ANALYSIS, WHICH WILL HELP US BETTER UNDERSTAND POTENTIAL CLIMATE-RELATED IMPACTS ON OUR ENTIRE BUSINESS AND VALUE CHAIN. WE PLAN TO UNDERTAKE A FULL CLIMATE-RELATED SCENARIO ANALYSIS IN 2024.</p>	REPORTED, WITH GAPS	CDP 2023 CLIMATE CHANGE C2.3A, C2.4A, C3.3, C3.4
C) DESCRIBE THE RESILIENCE OF THE ORGANIZATION’S STRATEGY, TAKING INTO CONSIDERATION DIFFERENT CLIMATE-RELATED SCENARIOS, INCLUDING A 2°C OR LOWER SCENARIO.	IN 2024, WE PLAN TO BUILD UPON OUR INITIAL CLIMATE RISK SCREENING TO EVENTUALLY UNDERTAKE A FULL CLIMATE-RELATED SCENARIO ANALYSIS TO COVER OUR GLOBAL BUSINESS AND SUPPLY CHAIN. WHILE OUR CLIMATE RISK SCREENING ASSESSED THE ADAPTIVE CAPACITY OF OUR KEY SITES, A FULL SCENARIO ANALYSIS WILL SERVE TO ENHANCE OUR UNDERSTANDING OF THE OVERALL RESILIENCE OF THE BUSINESS AND STRATEGY FOR CLIMATE-RELATED RISKS AND OPPORTUNITIES.	REPORTED, WITH GAPS	2023 CDP CLIMATE CHANGE C3.2

RISK MANAGEMENT

TCFD RECOMMENDATION	RESPONSE	REPORTING STATUS	REFERENCE
A) DESCRIBE THE ORGANIZATION’S PROCESSES FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS.  B) DESCRIBE THE ORGANIZATION’S PROCESSES FOR MANAGING CLIMATE-RELATED RISKS.	MONSTER’S AUDIT COMMITTEE IS ULTIMATELY RESPONSIBLE FOR PROVIDING OVERSIGHT OF CLIMATE-RELATED ISSUES. MONSTER IDENTIFIES, ASSESSES AND MANAGES CORPORATE-LEVEL RISKS, INCLUDING REGULATORY CLIMATE-RELATED RISKS AND PHYSICAL RISKS, THROUGH ASSESSMENT AND BUSINESS CONTINUITY PLANS. EACH BUSINESS DIVISION ASSESSES RISK RELATIVE TO ITS OWN RANGE OF BUSINESS ACTIVITIES, ACROSS THE SHORT-, MEDIUM- AND LONG TERM; AND HAS ITS OWN DEFINITION OF WHAT MAY BE CONSIDERED AS A SUBSTANTIVE RISK. ADDITIONALLY, MONSTER HAS AN EXHAUSTIVE CHECKLIST OF CRITERIA THAT SUPPLIERS MUST FULFILL BEFORE WE CONDUCT ANY BUSINESS. THE LIST INCLUDES SECTIONS ON HAZARD ANALYSIS CRITICAL CONTROL POINT COMPLIANCE, QUALITY PROCESSES, PLANT SANITATION PROGRAMS, ETC. SUPPLIERS ARE ALSO REQUIRED TO COMPLY WITH ALL APPLICABLE LOCAL AND NATIONAL LAWS AND REGULATIONS OF THE JURISDICTIONS IN WHICH THEY OPERATE, WHICH INCLUDES CLIMATE-RELATED LAWS AND REGULATIONS. IN AN EFFORT TO ADDRESS AND MITIGATE CLIMATE-RELATED RISKS, SUCH AS EXTREME WEATHER, INCREASED TEMPERATURES, AND REGULATORY CHANGES THAT MAY HAVE A SUBSTANTIVE IMPACT ON OUR SUPPLY CHAIN.	REPORTED	CDP 2023 CLIMATE CHANGE C2.1, C2.2, C2.2A
C) DESCRIBE HOW PROCESSES FOR IDENTIFYING, ASSESSING AND MANAGING CLIMATE-RELATED RISKS ARE INTEGRATED INTO THE ORGANIZATION’S OVERALL RISK MANAGEMENT.	MONSTER IDENTIFIES, ASSESSES AND MANAGES CORPORATE-LEVEL RISKS THROUGH ASSESSMENT AND BUSINESS CONTINUITY PLANS. MONSTER’S SUSTAINABILITY TASK FORCE WAS CREATED IN 2021 TO IMPLEMENT SUSTAINABILITY MEASURE, GOALS, PROGRAMS AND REPORTING. CLIMATE-RELATED RISKS ARE NOT INTEGRATED INTO AN ENTERPRISE RISK MANAGEMENT SYSTEM, ALTHOUGH WE PLAN TO DO SO IN THE FUTURE.	REPORTED, WITH GAPS	CDP 2023 CLIMATE CHANGE C2.1, C2.2



METRICS AND TARGETS

TCFD RECOMMENDATION	RESPONSE	REPORTING STATUS	REFERENCE
A) DISCLOSE THE METRICS USED BY THE ORGANIZATION TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES IN LINE WITH ITS STRATEGY AND RISK MANAGEMENT PROCESS.	<p>MONSTER DISCLOSES ITS ANNUAL SCOPE 1, SCOPE 2 AND SCOPE 3 GHG INVENTORY. WE ALSO CONSIDER POTENTIAL FINANCIAL IMPACTS, SUCH AS CAPITAL EXPENDITURES, OPERATING EXPENDITURES OR REVENUE TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES.</p> <p>MONSTER CURRENTLY DOES NOT PROVIDE INCENTIVES FOR THE MANAGEMENT OF CLIMATE-RELATED ISSUES, INCLUDING THE ATTAINMENT OF OUR TARGET, AND DOES NOT UTILIZE AN INTERNAL PRICE ON CARBON. WE WILL CONTINUE TO EVALUATE WHETHER WE SHOULD IMPLEMENT SUCH STRATEGIES IN 2024 AND BEYOND.</p> <p>WITH THE PLANNED COMPLETION OF A FULL CLIMATE SCENARIO ANALYSIS, WE BELIEVE WE WILL BE ABLE TO BETTER ASSESS THE OVERALL AMOUNT AND EXTENT OF OUR ASSETS AND BUSINESS ACTIVITIES THAT ARE VULNERABLE TO TRANSITION RISKS.</p>	REPORTED, WITH GAPS	CDP 2023 CLIMATE CHANGE C2.3A, C2.4A, C6.1, C6.3, C6.4A, C6.10, C11.3A
B) DISCLOSE SCOPE 1, SCOPE 2, AND IF APPROPRIATE, SCOPE 3 GREENHOUSE GAS EMISSIONS (TCO2E), AND THE RELATED RISKS.	<p>SCOPE 1: 15,259</p> <p>SCOPE 2 (LOCATION-BASED): 10,134</p> <p>SCOPE 2 (MARKET-BASED): 10,088</p> <p>SCOPE 3: 2,173,452</p>	REPORTED, WITH GAPS	<p>2023 SUSTAINABILITY REPORT, GREENHOUSE GAS EMISSIONS</p> <p>CDP 2023 CLIMATE CHANGE C6.1, C6.3, C6.4A, C6.5.</p>
C) DESCRIBE THE TARGETS USED BY THE ORGANIZATION TO MANAGE CLIMATE-RELATED RISKS AND OPPORTUNITIES AND PERFORMANCE AGAINST TARGETS.	SEE SECTION "COMMITTING TO THE SCIENCE BASED TARGETS INITIATIVE"	REPORTED, WITH GAPS	2023 SUSTAINABILITY REPORT, COMMITTING TO THE SCIENCE BASED TARGETS INITIATIVE

CREDITS AND CONTACT

Thank you for taking the time to read our Sustainability Report for fiscal year 2023. For all current news, please visit our website at [www.monsterbevcorp.com](http://www.monsterbevcorp.com).

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