

Monster Beverage Corporation
CA Transparency in Supply Chains Act & UK Modern Slavery Act Statement

The commitment to human rights and the desire to operate with the highest of ethical standards is of the utmost importance to Monster Beverage Corporation. The International Labor Organization estimates that, in 2016, 24.9 million people are in forced labor situations, over half of whom are in industries that may feed into global supply chains. We at Monster Beverage Corporation take slavery and human trafficking seriously, and are opposed to slavery and human trafficking in all its forms.

In this statement, made pursuant to the United Kingdom Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010, Monster Beverage Corporation is disclosing, on behalf of itself and its applicable subsidiaries, efforts taken during our last completed financial year to ensure that slavery and human trafficking do not occur in our supply chain for the products that we sell or in any part of our business.

Company Structure

Monster Beverage Corporation is a holding company and conducts no operating business except through its consolidated subsidiaries, which market and distribute energy drinks throughout the United States, United Kingdom, and a growing number of international markets. We choose to work with a limited number of suppliers who adhere to high ethical standards.

Risk Assessment

We survey our suppliers to identify risks of slavery and human trafficking throughout our supply chain and to evaluate the risk profiles of individual suppliers. We have retained a specialized third-party service provider to contact our suppliers to ask them an array of questions relevant to these issues, including whether the supplier has policies that explicitly prohibit forced labor and human trafficking and any process permitting employees to report suspected violations. This slavery and human trafficking risk survey is provided in multiple languages, and suppliers must certify to the accuracy of their responses and commit to providing evidence if required.

These verification and certification efforts are not limited to our direct suppliers; for certain suppliers, we pay attention to the suppliers of our suppliers, going further down the supply chain. In the slavery and human trafficking survey, our direct suppliers are asked to certify whether their suppliers are required to accept and comply with the direct suppliers' policies regarding forced labor and human trafficking, and whether that downstream supplier conducts its own verification activities to identify, assess, and manage risks specific to slavery and human trafficking in its own operations and supply chain. This information gives us the ability to survey second tier suppliers.

Audits are also a part of our due diligence process. We conduct announced audits of certain suppliers. Audits consist of a review of documents, interviews with workers, and visits to production facilities. Auditors are instructed to include issues of slavery and human trafficking in these audits.

Internal Accountability and Reporting

Our Code of Business Conduct and Ethics requires our employees, officers and directors to lawfully conduct our business with integrity. The standards of conduct under the Code of Business Conduct and Ethics include equal employment opportunity, providing a safe and healthy work environment, equitable treatment of employees and compliance with laws, rules and regulations applicable to Monster Beverage

Corporation. We interpret these standards broadly, and require ethical behavior and compliance with the Code of Business Conduct and Ethics to ensure that slavery and human trafficking do not exist in our supply chain. Employees are required to promptly report any perceived violations of the law or the Code of Business Conduct and Ethics. We distribute the Code of Business Conduct and Ethics to each of our employees, officers and directors, and make it available on our corporate website at the following link: <http://investors.monsterbevcorp.com/static-files/2cb26535-baa4-4101-9a1e-d1b24af8ec27>.

We expect our suppliers to comply with all legal requirements of the country or countries in which they are doing business, including laws regarding slavery and human trafficking. Just as our Code of Business Conduct and Ethics sets high standards for our employees, officers, and directors, suppliers are expected to abide by the Monster Beverage Company Supplier Code of Conduct, which covers areas including forced labor, child labor, abuse of labor, wages, hours, freedom of association and collective bargaining, and discrimination, among others. The Monster Beverage Company Supplier Code of Conduct is found here: <https://www.monsterbevcorp.com/sc-conduct.php>.

Training

We are implementing a training program on slavery and human trafficking for company employees whose work relates to supply chain management, such as procurement, as well as auditor training, which will specifically train auditors to recognize the risks and signs of slavery and human trafficking. Suppliers are also offered training on slavery and human trafficking, through access to programs from a specialized third-party provider.

Reporting and Remedy

We maintain a compliance hotline for individuals to report any perceived violations of the law, the Code of Business Conduct and Ethics, and the Supplier Code of Conduct. Individuals can reach the compliance hotline at (800) 506-4310 to report violations of the law, either code, or concerns of ethics or compliance violations, and can do so anonymously.

Any employee who is found to have violated the Code of Business Conduct and Ethics is subject to disciplinary action, including termination of employment. Similarly, if we uncover that a supplier is not adhering to laws regarding slavery and human trafficking, we will take corrective action, including terminating our business dealings with such offending supplier.

This statement is made pursuant to Section 54(1) of the United Kingdom Modern Slavery Act 2015 and Section 3 of the California Transparency in Supply Chains Act of 2010, and constitutes Monster Beverage Corporation's slavery and human trafficking statement for the 2017 financial year. This statement was approved by the full board of directors.



Hilton H. Schlosberg
Vice Chairman of the Board of Directors
President, Chief Operating Officer,
Chief Financial Officer and Secretary