

**BE IT RESOLVED:** Shareholders request that Monster Beverage, Inc. report to shareholders on the outcomes of the Company's diversity, equity, and inclusion efforts in its human capital management strategy, by providing quantitative metrics and data on progress toward its goals. This includes, for example, the recruitment, retention and promotion rates of employees by gender, race, ethnicity, sexual orientation, age, disability and veteran status. Disclosure of consolidated EEO-1 reporting as required by the Department of Labor and consolidated pay and hours-worked reporting required by the California Department of Fair Employment and Housing would provide reliable, comparable data to investors. The reporting should be done at reasonable expense and exclude proprietary information.

**SUPPORTING STATEMENT:** Quantitative data is sought so that investors are able to compare, understand, and assess the effectiveness of companies' diversity, equity, and inclusion programs.

**WHEREAS:** Numerous studies have pointed to the material benefits of a diverse workforce:

- Morgan Stanley has found that retention rate data above industry peer averages “can indicate the presence of competitive advantage.”
- Companies in the top quartile for gender diversity are 21 percent more likely to outperform on profitability and 27 percent more likely to have superior value creation.
- A 2019 study of the S&P 500 found that the 20 most diverse companies had an average annual five-year stock return that was 5.8 percent higher than the 20 least-diverse companies.

Despite such benefits, significant barriers exist for career advancement among women, people of color, and members of other traditionally disadvantaged groups. Women enter the United States corporate workforce in almost equal numbers as men (48 percent). However, women nationally comprise only 27 percent of the executive suite. Similarly, people of color comprise 34 percent of entry-level positions, but only 17 percent of the c-suite.

In its 2022 Sustainability Report, Monster Beverage stated it is:

Committed to diversity and inclusion and have worked together to create a culture where our employees ... feel safe, welcome and respected. We pride ourselves on fostering an environment that recognizes the importance of equality.... We are committed to improving equality of opportunity, and do not tolerate discrimination or harassment of any kind. Recruitment, hiring, placement, training, compensation and advancement focuses on qualifications, skills, performance, and experience. We seek to capture diversity in our candidates, including diversity of gender, race and ethnicity and veteran status. This applies across the organization, including at the senior management level.

While Monster has released some workforce composition data, it has not shared sufficient data for investors to determine the effectiveness of its commitments and overall human capital

management programs. Retention, recruitment, promotion rates and pay data are needed; these inclusion data points show if diverse talent is being brought into the company, if these employees want to stay, and how effectively their talents are nurtured.

We urge investors to support disclosure of the company's progress toward effective human capital management.