



Climate Transition Planning

WHEREAS: The increasing rate and number of climate related disasters affecting society is causing alarms to be raised globally, making the corporate sector's contribution to climate mitigation a significant policy issue.

Beyond environmental and social harms, climate change is creating systemic risks to the economy. The Commodity Futures Trading Commission last year underscored that climate change could [impair the productive capacity](#) of the U.S. economy.

Shareholders are increasingly concerned about material climate risk to their companies and their portfolios and seek clear and consistent disclosures from the companies in which they invest, including credible climate transition plans. [BlackRock's CEO writes](#) that, *"there is no company whose business model won't be profoundly affected by the transition to a net zero economy"* and that investors *"are asking companies to disclose a plan for how their business model will be compatible with a net zero economy."*

In response to material climate risk, the Climate Action 100+ initiative (CA100+), a coalition of 615 investors with \$60 trillion in assets, issued a Net Zero Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders. Indicators [1 through 5 of the Benchmark](#) seek reporting on companies' net zero emissions ambitions; short, medium and long term greenhouse gas (GHG) reductions goals covering enterprise-wide emissions; and strategic action plans to achieve decarbonization targets.

Monster Beverage Corporation sells and distributes beverages and concentrates. Our company has adopted activities to reduce GHG emissions such as installing energy efficient lighting and control systems, undertaking manufacturing localization efforts, and use of electric vehicles. While our Company completed its first Scope 1 and 2 emissions reporting in 2020, it has not adopted GHG reduction goals. By setting targets, reporting a clear climate transition plan, and demonstrating progress toward achieving net zero emissions by 2050 or sooner, Monster Beverage Corporation can provide investors with assurance that management is reducing its climate contribution and addressing the growing risks associated with climate change.

BE IT RESOLVED: Shareholders request that Monster Beverage issue a report at reasonable cost and omitting proprietary information disclosing how the Company intends to reduce its operational and supply chain GHG emissions in alignment with the Paris Agreement's 1.5 degree goal requiring net zero emissions by 2050.



SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, that the report include:

- Disclosure of the Company's annual Scope 3 (where relevant) GHG emissions.
- A timeline for setting a net zero GHG reduction target and aligned interim goals.
- An enterprise-wide climate transition plan to achieve net zero emissions.
- A rationale for any decision not to set targets aligned with the Paris Agreement's 1.5 degree goal.
- Other information the Board deems appropriate.