

# Monster Beverage Corp.

**TICKER**

NasdaqGS:MNST

**MARKET CAPITALIZATION**

US\$38 billion

**HEADQUARTERS**

United States

**COMPLIANCE**
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: [Yes](#)
**COMMITMENTS**
[Yes](#)
**OVERALL RANKING**

## 35 out of 38

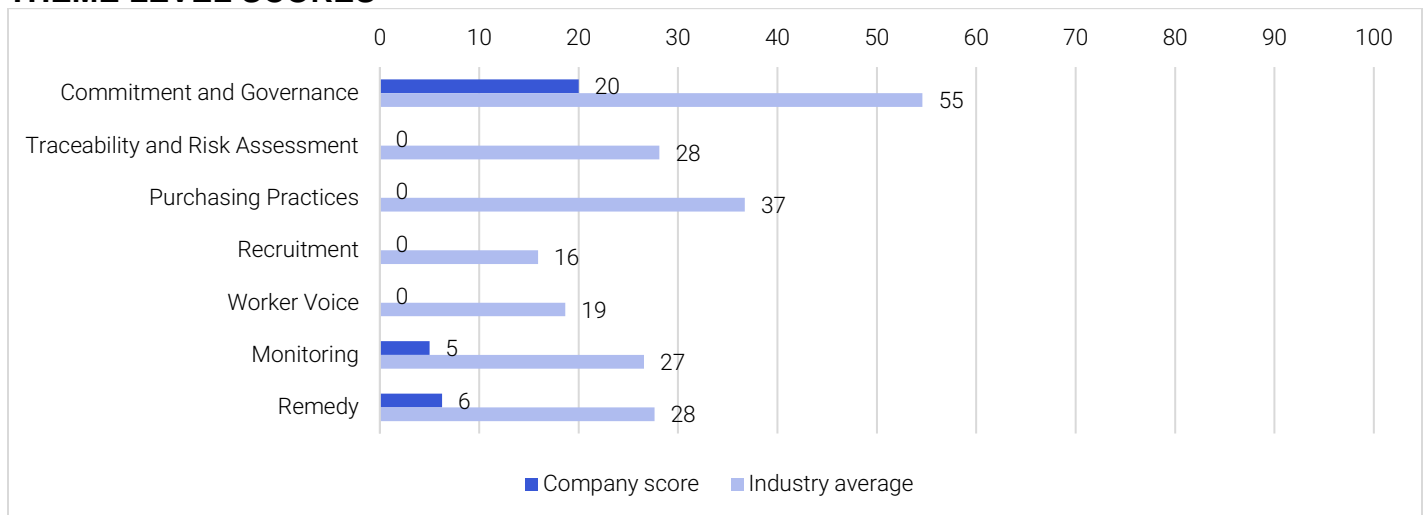
(2016: 20 out of 20)

**OVERALL SCORE**

## 4 out of 100

**SUMMARY**

Monster Beverage Corp. (Monster Beverage), a US based energy drinks company and supplier to companies such as Coca-Cola European Partners (a Coca-Cola bottler), Costco, and Walmart, ranks 35th out of 38 companies and discloses significantly less information on its forced labor policies and practices than its peers. Compared to 2016, the company improved its score by four points by disclosing a commitment to addressing forced labor as well as limited details on supplier audits and corrective actions. The company has an opportunity to improve its performance and disclosure on the themes of traceability and risk assessment, purchasing practices, and recruitment.

**THEME LEVEL SCORES**


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## LEADING PRACTICES

None.

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## NOTABLE FINDINGS

**Commitment:** Monster Beverage states that it expects suppliers to comply with legal requirements relevant to slavery and human trafficking, and that "We at Monster Energy take slavery and human trafficking seriously and are working to reduce the risk of slavery and human trafficking in our supply chain."

**Monitoring:** Monster Beverage discloses that it "conducts certain announced audits" on suppliers, which it states include a review of documents, interviews with workers and visits to production facilities." However, it is not clear whether the audits include monitoring of forced labor risks.

**Corrective Actions Plans:** Monster Beverage notes that if it has evidence that suppliers do not adhere to its requirement to follow local laws regarding slavery and human trafficking, it will take corrective actions.

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## OPPORTUNITIES FOR IMPROVEMENT

**Traceability and Risk Assessment:** To demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of its first-tier suppliers, the countries of below-first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforce. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

**Purchasing Practices:** To address forced labor and human trafficking risks in its supply chains, the company is encouraged to integrate supply chain standards that include forced labor in its supplier contracts, and to cascade such standards throughout its supply chains. The company may further consider assessing risks of forced labor at potential suppliers before entering into any contracts with them and adopting purchasing practices that decrease risks of forced labor and human trafficking (such as improving forecasting alignment or providing longer-term contracts to suppliers with good labor practices).

**Recruitment:** To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company may consider requiring recruitment agencies used by its suppliers to uphold workers' rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to ensure recruitment agencies used by its suppliers are audited and to work with suppliers to guarantee migrant workers' rights are respected (e.g., to ensure workers' passports or other personal documents are not retained).

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## COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes](#), including information on the company's [business model](#).