

Monsanto Good Government Fund Advisory Panel

Operating Policies and Procedures

As set forth in Monsanto Board Resolution 04-01-1/28/04, the Good Government Fund Advisory Panel (GGFAP) was created to give oversight and guidance to corporate political contributions given to state political entities. In that Resolution, the Monsanto General Counsel is designated as Chair of the GGFAP.

The GGFAP shall operate in the following manner in carrying out its Board authorized responsibilities:

1. The GGFAP shall meet four times per year, once in each quarter of the company's fiscal year. Impromptu meetings and conference calls shall also be held to conduct the Panel's business as needs arise.
2. The GGFAP shall:
 - a. Review and approve the overall corporate state contributions for the year, by state and amount per state. These contribution levels shall be submitted for approval by the State and Local Government Affairs (SLGA) Lead, and shall be based on the following factors:
 - i. Monsanto's current and future business interests in the state.
 - ii. Expected and historical legislative activity in the state affecting Monsanto's business interests.
 - iii. Monsanto facilities and employees in the state.
 - iv. Local political factors (e.g., the standard amount of contributions based on number of legislators, level of political activity, election dynamics, etc.)
 - v. The SLGA Lead shall furnish the GGFAP with an annual analysis of how the state levels of contributions in a state were set.
 - b. Review and approve, modify or re-authorize the MGGF contribution request process (see 3 below).
 - c. Review and approve, modify or reauthorize the MGGF contributions guidelines (see 4 below).
 - d. Review and approve periodic reports to be submitted to the Monsanto Board Public Policy and Corporate Responsibility Committee.
 - e. Review and approve individual contribution requests when they are dealing with 1) candidates who are employees, are related to a Monsanto employee, or have some other unique relationship to Monsanto, or 2) involve MGGF funds going to a business or trade association Political Action Committee.

3. MGGF Contribution Approval Process

- a. For each state in which MGGF contributions are to be dispersed, a state plan shall be developed by the SLGA manager or director responsible for that state. These state plans shall consist of:
 - i. A political background or climate in the state for that year.
 - ii. A brief discussion of Monsanto related issues expected.
 - iii. A general strategy regarding contributions.
 - iv. A recommended amount for the state.
- b. The state plans shall be submitted by January 15 of every year, and shall be approved by the SLGA Lead and submitted for approval by the GGFAP at its first meeting of the year.
- c. Individual state MGGF contributions shall be submitted by the appropriate SLGA manager or Lead on the Political Contributions Recommendation Form. This Form includes:
 - i. Background on the candidate, including relevance to Monsanto, location of the district, committee or leadership position, etc.
 - ii. Candidate name, state, party, office sought type of election, committee name and address, and amount.
 - iii. Whether this contribution is for a specific event, debt reduction, etc.
 - iv. Any unique relationship to Monsanto (employee, relative, etc) shall be clearly indicated in the background section of the form.
- d. The individual state MGGF contributions shall be reviewed and approved by the SLGA Lead for consistency with the state plan.
- f. All MGGF contributions shall be submitted to the GGFAP for approval, by majority vote of its members present at its next scheduled meeting, or by email as needed.
- g. A final annual report of MGGF contributions shall be submitted to the GGFAP at the 4th quarter meeting.

4. MGGF Contribution Guidelines

- a. Selecting and supporting good candidates is the primary goal. This generally means supporting candidates from districts where Monsanto has a significant interest, because of location, significant business/employee presence, current or future market share, or the precedent-setting nature of the issues involved.

- b. Legislative stature (leadership, committee assignments), voting record, receptivity, positions held or anticipated, ethics, integrity, (i.e. consistency with principles set forth in the Monsanto Pledge), and any unique relationship to the Company are key criteria. Incumbency is not the primary factor in determining support.
- c. The state managers will prepare the state plan and contribution requests in consultation with the SLGA Lead, retained lobbyist, politically involved facility manager or sales director, and local employees where Monsanto has a significant presence, as appropriate.
- d. All MGGF contributions shall be consistent with the state plan.
- e. Except in rare instances, the MGGF does not support opposing candidates for the same office in the same election.
- f. The MGGF has a preference for single candidate committees. However, state legislative caucus or party committees and contributions to state political parties will be considered on a case-by-case basis.
- g. Contributions to state trade association PACs shall be acceptable but limited in number and amount, and must be adequately justified in terms of business reasons and other unique circumstances. In no instance shall a contribution to a business PAC be in an amount or a manner that has the appearance of violating Monsanto's commitment to transparency as outlined in the Pledge.
- h. Debt reduction contributions are permitted, but limited in number.
- i. No MGGF contributions will be made which assume a second step solely benefiting one or more federal candidates who could not legally receive corporate funds.

- j. No MGGF contributions will be made to “527” organizations that are not registered with the Federal Election Commission unless all of the following criteria are met:
 - i. Contributions are strictly for state races, and this restriction must be expressly stated in the by-laws or operating principles of the 527 organization.
 - ii. Contributions are used only within the state in which the 527 organization exists.
 - iii. State law prohibits corporate contributions directly to candidates in that state.

- k. All contributions must be in compliance with all applicable state and local laws.