Monsanto

FROM (NAME & LOCATION) John N. Ehlers - St. Louis

DATE : February 23, 1971 CC:

SUBJECT : MONSANTO MANAGEMENT GUIDE

REFERENCE

TO : Holders of the Management Guide

Attached are updated revisions for your copy of the Monsanto Management Guide. A summary follows;

C-I-1 Board of Directors	The listing of members is updated.
C-I-5 Corporate Management Committee	The listing of members is updated.
C-I-11 Budget Committee	The listing of members is updated.

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IN-10 REV. 11-65

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Monsanto
COMPANY

BOARD OF DIRECTORS

Board Members:

Charles H. Sommer, Chairman

Dillon Anderson	John L. Gillis
H. Harold Bible	James J. Kerley
Edward J. Bock	Jean Mayer
David R. Calhoun	Edward A. O'Neal
Fredrick M. Eaton	James S. Rockefeller
John R. Eck	Monte C. Throdahl
J. William Fisher	Earle G. Wheeler

Secretary:

Edwin J. Putzell, Jr.

Reports to:

Shareowners

FUNCTIONS

1. Has authority to exercise all powers of the company, except those that by statute, the Certificate of Incorporation, or the By-laws, are required to be exercised by the shareowners and renders decisions on major transactions. Establishes major corporate policies. Exercises general control over the company's business and property.

2. Elects officers of the company and establishes their rates of remuneration. Establishes standing committees to exercise certain powers of the Board of Directors in the intervals between meetings of the Board of Directors and appoints members thereto.

3. Reviews and approves appropriation requests which exceed $1.0 M per item, upon recommendation by the President.

4. Reviews and approves the sale or the disposition of tangible or intangible assets, including divestitures, which involve payments or value to the company in excess of $1.0 M, upon recommendation by the President.

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5. Establishes the financial policy for the company. Determines methods of major financing. Establishes and maintains company liquidity with an appropriate equity to debt ratio.

6. Determines that there are adequate funds for capital additions, expansion and other company purposes and that of its subsidiaries, regardless of type, including net finance leases for the company and its subsidiaries.

7. Approves the selection, maintenance and closing of principal (accounts in excess of $75,000) depositories involving banking services and the funds of the company and its subsidiaries upon recommendation of the President.

8. Sets policy regarding investment of surplus funds and receives quarterly reports from the vice-president-Finance, to whom it delegates authority to invest such funds.

9. Sets policy regarding the company's pension plans, including the funding of such plans. In addition, will appoint trustees and investment managers.

10. Approves guarantees on behalf of the company or its subsidiaries or third parties where the amount of the guarantee exceeds $1.0 M per transaction.

11. Declares dividend payments to be made by the company.

12. Authorizes the contribution of initial or additional capital to existing or new domestic or overseas subsidiaries in amounts exceeding $100 M capital.

13. Approves capitalization of intercompany debt (advances, payables, and other forms of intercompany debt) due from domestic or overseas subsidiaries where the amount to be capitalized is in excess of $3,000,000 per year.

14. Establishes company policy covering supplier, net finance, and real property leases and approves such leases involving a total commitment in excess of $1 M.

15. Holds regular meetings at the offices of the company at St. Louis County, unless some other place is specified, on dates set by the Board of Directors; holds special meetings as may be called as specified by the By-laws. One-third of the total Board membership (but not less than two) will constitute a quorum for the transaction of business.

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Monsanto
COMPANY

CORPORATE MANAGEMENT COMMITTEE

Committee Members:

Edward J. Bock, Chairman

H. Harold Bible	Edwin J. Putzell, Jr.
John R. Eck	Charles H. Sommer
John L. Gillis	Monte C. Throdahl
James J. Kerley	

Secretary:

John N. Ehlers

Reports to:

President

FUNCTIONS

1. The Corporate Management Committee and its members assist and advise the chief executive officer in the discharge of responsibilities connected with his office. It serves as the focal point in an advisory capacity for corporate development and growth efforts. Assists the president in the implementation of responsibilities for short- and long-range development planning.

2. Recommends to the president basic growth objectives and growth policies to guide industrial development actions.

3. Develops and reviews broad company-wide corporate development procedures including guidelines for project selection by divisions and central departments, type of information to be presented in business plans, and criteria for project endorsement by the Corporate Management Committee.

4. Analyzes regularly the corporate position in the existing world economy and defines key issues crucial to the company's long-term profit growth.

5. Prepares, and renews annually, a ten-year plan with alternates for the corporation to channel company resources toward achievement of established growth objectives.

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6. Reviews the growth plans prepared by the divisions and central departments, subsidiaries, associated and other companies; where necessary recommends to the president modification to ensure agreement with established corporate growth objectives.

7. Reviews in detail and recommends action to the president on the entire program, operating budget, and profit objectives of the New Enterprise Division.

8. Advises the president on corporate organization structure needed in light of established growth objectives and related growth plans.

9. Ensures provision of opportunities within the company for encouraging and developing entrepreneurially oriented management personnel.

10. Analyzes for the president the total research, development and related technical budgets of the corporation.

11. Studies and considers as requested or assigned new ventures including acquisitions; reviews and endorses project programs and budgets prepared by New Enterprise Division for each new undertaking.

12. Recommends to the president termination of unsatisfactory venture programs and businesses.

13. Requests from concerned operating divisions and the controller reports of actual financial results experienced compared to estimates used in the economic justification of capital projects in commercial operation of one year or more. Reports results of such performance success to the president.

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Monsanto
COMPANY

BUDGET COMMITTEE

Committee Members:

Edward J. Bock, Chairman
H. Harold Bible
John R. Eck
John L. Gillis
James J. Kerley
Edwin J. Putzell, Jr.
Charles H. Sommer
Monte C. Throdahl

Secretary:

Lewis F. Steinbach

Reports to:

President

FUNCTIONS

1. Assists the president in developing and implementing the company budgetary control plan.

2. Provides assistance in the preparation of overall budget objectives and desired budget limitations.

3. Reviews, recommends changes and approves proposed budgets in the light of budgetary objectives and limitations.

4. Carries out other assignments regarding the corporate budget as may be delegated by the president.

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Monsanto
COMPANY

SALARY COMMITTEE

Committee Members:

William B. Daume, Chairman
H. Harold Bible
John L. Gillis

Secretary:

Richard P. Praz

Reports to:

President

FUNCTIONS

1. Studies and makes recommendations to the president concerning the company's salary plan and compensation policies.

2. Reviews and approves salary recommendations for company personnel earning $27,500 per year or more and all personnel in Grade 24 and above.

3. Administers the company's salary administration program.

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Monsanto

FROM (NAME & LOCATION) John N. Ehlers - St. Louis

DATE July 23, 1971 CC:

SUBJECT MONSANTO MANAGEMENT GUIDE

REFERENCE

TO : Holders of the Management Guide

Attached are updated revisions for your copy of the Monsanto Management Guide. A summary follows:

C-II-28 Monsanto Research Corporation Organization Chart	Revised
C-III-18 Hydrocarbons & Polymers Division Organization Chart	Revised
C-III-22 Organic Chemicals Division Organization Chart	Revised
C-IV-8 Accounting Department Organization Chart	Revised
C-IV-12 Central Engineering Department Organization Chart	Revised
C-IV-29 Central Distribution Department Organization Chart	Revised
C-IV-33 Law Department Organization Chart	Revised
D-II-8 Environmental Evaluation of Proposed New Products and Processes	New Policy Statement Added

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ADMINISTRATION POLICY STATEMENTS - MEDICAL

Physical Examinations

Pre-placement physical examinations are given to all prospective employes to ensure that each employe will be physically able to function in the job for which he is hired.

Periodic physical examinations are provided for all employes. Frequency of these examinations is appropriate for the employe's age, sex and type of work.

Special tests and examinations are performed as necessary on employes whose work exposes them to potential health hazards.

Medical Records

Complete and accurate medical records are kept on each employe, starting with the first pre-placement physical examination and including all subsequent examinations and treatments given. These records are kept confidential, maintaining the customary doctor/patient relationship.

Medical Treatment

Unless state laws specify otherwise, the local plant physician is responsible for the treatment of all occupational disabilities and the complete care of these injuries, using outside facilities and consultants when appropriate. In all cases, strict compliance with the state laws governing the treatment of occupational illnesses and injuries shall be observed.

Treatment of personal illness or injury is limited to health counseling and treatment of such minor cases as do not warrant the employe's consulting his family physician. This treatment is intended to supplement, but in no way to replace, the services of the employe's family physician.

Industrial Hygiene and Toxicology

Inspections and other industrial hygiene programs are conducted to ensure hygienically safe working environment for all employes. In addition, products and raw materials are tested for toxicity during their development, use and production to protect both employes and customers from potentially harmful effects. The Medical Department is the official contact with government agencies on dealing with toxicological matters.

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Monsanto
COMPANY

POLICY STATEMENT

Environmental Evaluation of Proposed New Products and Processes

Monsanto, recognizing the need for control and reduction of environmental degradation, diligently and systematically assesses the impact of proposed new products and processes on the environment. A positive assessment is a condition for commercialization. This assessment includes the premise that in the future the standards for environmental acceptability will be more demanding.
(For procedures see Corporate Procedure-Evaluation of Proposed New Products and Processes together with Medical Department Bulletins and Data Sheets EC-201 and 202 and Central Engineering Department Procedure No. 602.)

Pollution Control

Monsanto has always recognized its responsibilities to the public, to its shareowners, to its employes, to its customers and to the communities in which it operates.

Included among its community responsibilities is a concern for and an interest in the public welfare and comfort with regard to environmental pollution.

The role of government in pollution control and the need for Monsanto cooperation with government officials in proper circumstances is recognized.

The pollution control policy is:

A. Always be concerned for the public interest.

B. Regard pollution control as part of the "cost of doing business."

C. Insure that new operations will meet existing pollution regulations and be adaptable to meet foreseeable pollution regulations.

D. Install and operate pollution abatement facilities on existing operations to meet existing regulations.

E. Continue to devote research and engineering funds to the development of improved processes which eliminate or minimize pollution.

F. Cooperate with appropriate government agencies, including participation in the development of rules and regulations.

G. Maintain relations with industrial and technical organizations in programs to combat pollution.

Pollution control is a line responsibility. Organizationally, Monsanto places this burden of responsible operations on the directors or managers of manufacturing of the operating divisions who in turn assign responsibility to the plant manager at the various operating locations.

To reinforce this organizational concept, each Division has a manufacturing representative specifically assigned to pollution control. To assure company-wide coordination in all operations, Monsanto has an Environmental Control Committee at the Corporate level reporting to the Corporate Management Committee. It has also assigned a C.M.C. member to keep a continuing watch on pollution control progress on a worldwide basis.

Because of special talents, the Medical Department assists in analyzing local problems with relationship to Federal, State and local regulations, and correlates plant activities with these agencies as well as the other concerned Monsanto groups including the Law, Central Engineering and Public Relations Departments, the Corporate Environmental Control Committee, the Government and Civic Affairs Committee, and Divisional and local plant management. The Medical Department thereby insures that Monsanto's actions and expressions represent a consistent program and viewpoint relative to the public and all the regulatory bodies.

Pollution Damage Claims

All claims against the Company for damage resulting from environmental pollution are reviewed by the Medical Department and Treasury Department and approved by the Law Department prior to any recognition of liability by the Company.

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ADMINISTRATION POLICY STATEMENTS - PATENT

Protection of Discoveries and Intangible Assets

The company strives to better its products, methods and competitive position generally through continuing technological programs. All employes are alert to inventions, discoveries, documents and other results of these efforts which may be legally protected from use by others. Intangible assets are protected whenever appropriate throughout the world through the filing of patents, trademarks and copyrights and active prosecution of available statutory means. The Patent Department has the responsibility for this function. In addition, it maintains awareness of technological activities which affect the patent estate and indicates desirability of additional or broader coverage as well as areas blocked by others where technological monopoly could not be attained. Continuing and close liaison is maintained with the International Division regarding patents filed or to be filed and negotiation of contracts and/or licenses in foreign countries.

Security of Intangible Assets not Protected by Patents or Other Means

Among its most valuable assets, the company and its subsidiaries include inventions and discoveries made by employes, technical information and know-how developed in the normal course of business and its trade secrets. The necessary legal steps are taken to ensure that these are properly and adequately protected. For trade secrets, technical information and know-how which are not protected by patents or other statutory means, reliance for protection is placed upon the common law of trade secrets. This necessarily involves risk, since the value to the company therein is seriously impaired when they become generally known to others through any means. Therefore, the company and its subsidiaries also take the necessary steps to ensure against the inadvertent disclosure to others of trade secrets and technical and confidential information and know-how. This includes instructing of employes and keeping them informed of the confidential nature of information coming into their possession through their employment.

Any action taken by the company, subsidiaries or by employes in dealing with others outside the company concerning these assets is taken only with the approval of and by direction of the president and in accordance with established procedures.

Clearance of Samples

Samples of or information concerning new materials, compounds or products prepared or derived in the course of Monsanto's technical efforts are cleared with the Patent Department prior to submission to organizations or individuals outside the company.

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