Monsanto

FROM (NAME & LOCATION) T. F. Parks - St. Louis

DATE December 4, 1968 CC:

SUBJECT MANAGEMENT GUIDE

REFERENCE

TO Holders of the Management Guide

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

C-I-2 Board of Directors	The name of Mr. Christian deleted.
C-I-4 Executive Committee	The name of Mr. Christian deleted.
C-I-5 Corporate Development Committee	The name of Mr. Christian deleted.
C-III-4 Operating Divisions Chart	Revised
C-III-31 International Division Organization Chart	Revised
C-IV-44 Advertising and Market Development Department Functional Chart	Technical Correction
C-IV-70 Treasury Department Functional Chart	Revised
C-IV-71 Treasury Department Organization Chart	Revised

T. F. Parks

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Monsanto
COMPANY

BOARD OF DIRECTORS

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.

   Any ad hoc or study groups appointed by the Board for specific purpose shall not serve longer than one year from the date of appointment, after which members of such groups will either be reappointed, membership changed, or abolished.

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.

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.

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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 $100M capital.

    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.

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

14. 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.

BOARD OF DIRECTORS

Charles H. Sommer, Chairman

Dillon Anderson
Edward J. Bock
David R. Calhoun
Fredrick M. Eaton
John L. Gillis
Herbert Hoover, Jr.
Edward A. O'Neal
James S. Rockefeller
Charles Allen Thomas
Monte C. Throdahl

Edwin J. Putzell, Jr., Secretary

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COMPANY

EXECUTIVE COMMITTEE

Reports to: Board of Directors

FUNCTIONS

1. By delegation from the Board of Directors exercises the powers of the Board of Directors between board meetings in the management of the usual and ordinary business and affairs of the company, excepting -

   (a) Those matters for which specific authority or direction has been otherwise delegated by the Board of Directors.

   (b) Matters relating to amendments to the Certificate of Incorporation or by-laws of the company, major changes in corporate organization and structure, changes of capital structure and financing, fixing of a record date for any meeting of stockholders, distribution on shares of stock, the declaration of dividends, the determination of any other rights of stockholders.

   (c) Approval of proposed expenditures for new projects representing capital additions, or for replacements, including pre-project engineering and procurement expenditures, or for project variances or for overruns.

   (d) Approval of sales of tangible and/or intangible assets (including technical know-how and services) of the Company.

2. Subject to 1 above, the Committee may delegate to others in the Company authority with respect to the management of the usual and ordinary business and affairs of one or more divisions and/or departments of the Company.

3. Authorizes the opening of bank accounts not to exceed $75,000.

4. Authorizes signers of checks on Monsanto bank accounts and of alcohol permits.

5. Acts on recommendations of the president with regard to governmental and civic affairs.

6. Regularly reports its acts and proceedings to the Board of Directors.

7. The committee consists of directors of the corporation of which three members must be present at meetings to constitute a quorum for the transaction of business.

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EXECUTIVE COMMITTEE

Edward J. Bock, Chairman
John L. Gillis — Edward A. O'Neal
Charles H. Sommer

John N. Ehlers, Secretary

CORPORATE DEVELOPMENT COMMITTEE

Reports to: President

FUNCTIONS

1. The Corporate Development Committee and its members assist and advise the chief executive officer in the discharge of his responsibilities connected with this 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 Development 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.

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.

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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.

CORPORATE DEVELOPMENT COMMITTEE

Edward J. Bock, Chairman

H. Harold Bible — Edwin J. Putzell, Jr.
John L. Gillis — Charles H. Sommer
Monte C. Throdahl

John N. Ehlers, Secretary

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EXECUTIVE COMPENSATION COMMITTEE

Reports to: The Board of Directors

FUNCTIONS

1. Studies and recommends to the Board of Directors establishment and/or modification of executive compensation plans and programs including salaries, bonuses, stock options and other incentive compensation, retirement and other benefits, to insure that the company maintains a competitive position, attracts and retains individuals of exceptional ability and provides for motivation of such personnel.

2. Keeps cognizant of the established company wage and salary plan structure, guidelines and procedures.

3. Approves programs and procedures for the administration of executive incentive compensation plans approved by the Board of Directors.

4. Recommends to the Board of Directors all company officers salaries.

5. Authorizes under company incentive plans grants to officers, and after recommendation by the President, to employes, and reports summary of such grants semi-annually to the Board of Directors.

6. Reviews periodically performance reports of all company executive compensation programs it causes to be developed and reports to the Board of Directors as to performance of the programs outlined in (1) above.

7. A secretary shall be appointed and all actions and proceedings of the committee shall be recorded.

EXECUTIVE COMPENSATION COMMITTEE

Charles A. Thomas, Chairman
Dillon Anderson D. R. Calhoun

E. W. Dwyer, Secretary

DATE 9/68
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