Sustainalytics Questions to Monsanto – November 2015

1. What is your strategy to mitigate risks in the event that EPA decides to re-classify glyphosate as a potential carcinogen?
2. What is the total scope of product-relevant certifications (e.g. ISO 9001)? Can you provide a percentage for all the certified operations or products?
3. Can you disclose the total revenues derived from glyphosate-based herbicides and glyphosate-resistant GM products?
4. Can you disclose the impact of the recent glyphosate and GM bans on the company's profits?
5. What is Monsanto's response regarding the allegations of scientific data manipulation related to the detrimental impact of PCBs on human health?
6. What is in your view the basis for the allegations made by the cities of San Diego, San Francisco and Spokane in their lawsuits against Monsanto?
7. Can you confirm that Monsanto has currently approximately 700 outstanding lawsuits for PCB pollution?
8. What is your view on the article published by Eric Lipton in the New York Times?
9. Does Monsanto intend to adapt its strategy so as to prevent further erosion of public trust?

Monsanto responses

Q. 1 What is your strategy to mitigate risks in the event that EPA decides to re-classify glyphosate as a potential carcinogen?

- Further to our discussions on the safety of glyphosate, we have attached a copy of the press statement issued by EFSA on November 12. EFSA concluded that glyphosate is unlikely to pose a carcinogenic hazard to humans and the evidence does not support classification with regard to its carcinogenic potential according to Regulation (EC) No 1272/2008.
- As further background and explanation on this important topic, we have also included a document that describes the regulatory review process for glyphosate, with some explanation of the EFSA peer review; and a chart that contrasts the classification of glyphosate by IARC to conclusions reached by other scientific bodies when reviewing the same studies.

Q. 2 What is the total scope of product-relevant certifications (e.g. ISO 9001)? Can you provide a percentage for all the certified operations or products?

- Regulatory approvals: Our products undergo extensive evaluation by regulatory authorities throughout the globe. We have obtained all necessary regulatory approvals from each world area where we produce or sell our products.
- ISO 9001: 100% of our global Crop Protection chemicals and Seeds production sites are externally validated through an ISO9001 (Quality) program.
- ISO 14001: 100% of our global Crop Protection chemical production sites are externally validated through an ISO14001 (Environmental Management) program.
- Excellence Through Stewardship (ETS): A significant portion of our global operations for biotechnology-derived plant products are certified in the ETS program (http://excellencethroughstewardship.org/), which includes third-party audits of our

stewardship programs and quality management systems. By 2017, we expect that all of our operations globally for biotechnology-derived plant products will be ETS-certified.

Q 5-7 General comments regarding PCBs:

- These PCB cases have nothing to do with Monsanto's current business. Monsanto today, and for the last decade (since 2002), has been focused solely on agriculture, but we share a name with a company that dates back to 1901.
- The former Monsanto was involved in a wide variety of businesses including the manufacture of PCBs. Under various contractual agreements with those former businesses, the current Monsanto Company manages several legacy liabilities, which in most cases have nothing to do with the company's current business.
- PCBs were industrial chemicals, which were sold to sophisticated companies who incorporated them as safety fluids into electrical equipment, plastics, and construction and building material products. Due to their ability to greatly reduce electrical fires, PCBs were integral to establishing electrical wiring across the United States, and likely saved thousands of lives from electrical fires. In fact, PCBs were required to be used by government building codes for years because of their effective fire resistance properties. PCBs have not been manufactured in the United States since the 1970s (although that is not true of manufacture of PCBs by other companies in other countries).
- Although every lawsuit is different, we are defending each one and believe the allegations in the currently pending suits to be without merit.

5. **What is Monsanto's response regarding the allegations of scientific data manipulation related to the detrimental impact of PCBs on human health?**
   - Generally, the allegations that we discussed in our phone conversation come from plaintiffs' complaints and filings in lawsuits, and we have denied any such allegations.
   - The former Monsanto Company acted appropriately with respect to the testing of, evaluation of, and warnings related to, PCBs in the 1930s, 1940s, 1950s, 1960s and until they voluntarily exited the market in the 1970s (before the EPA banned the manufacture of PCBs; note that the certain uses of PCBs are approved by the EPA and continue even today).
   - It is important to note that three juries have now considered evidence related to whether the former Monsanto was negligent in the production of PCBs and whether that negligence was the cause of several different subtypes of non-Hodgkin Lymphoma. No jury to date has found Monsanto liable (two trials ended in defense verdicts, one in mistrial/hung jury).

6. **What is in your view the basis for the allegations made by the cities of San Diego, San Francisco and Spokane in their lawsuits against Monsanto?**
   - It is clear that everyone, including Monsanto, is concerned about our environment. However, responsibility for environmental concerns is a complex balance.
   - PCBs that the former Monsanto manufactured four decades ago were lawful and useful industrial products. They were sold to other sophisticated manufactures that incorporated the PCBs into their own useful products, from electrical products to construction and building products. PCBs served an important fire protection and safety purpose for the electrical and other industries.
   - If disposal by other third parties, including potentially improper disposal, caused necessary clean-up costs, then these other parties should be responsible for the costs.

- These lawsuits are still in very early stages, and the facts relevant to each situation are still being investigated. However, there are no allegations in these cases that Monsanto dumped or disposed of PCBs into these bodies of water.
- Where Monsanto is found responsible for environmental liabilities, the company intends to continue to do its part.

7. **Can you confirm that Monsanto has currently approximately 700 outstanding lawsuits for PCB pollution?**
   - This is incorrect.
   - Currently, Monsanto is defending different types of cases relating to the manufacture and sale of PCBs by the former Monsanto.
     - There are approximately 21 currently pending lawsuits alleging personal injury related to different subtypes of non-Hodgkin Lymphoma (each case has multiple individual plaintiffs).
   - There are also approximately ten currently pending cases alleging property damage or environmental contamination.
   - We have meritorious legal and factual defenses to these cases and we are vigorously defending them.
   - We take our commitments seriously and strive to resolve these liabilities responsibly. Information about PCBs is available on our web site at: http://www.monsanto.com/newsviews/pages/pcbs.aspx

8. **What is your view on the article published by Eric Lipton in the New York Times?**
   - It's important to note that Eric Lipton is a lobbying reporter, which makes the angle of his story easier to understand.
   - For decades we've interacted with academics to not only advance science but also to correct misinformation the public has about plant biotechnology.
   - The outreach to academics highlighted in the story does not represent a new strategy as he suggested. If anything, the outreach and the industry's development of programs like GMOAnswers in 2013 and Monsanto's launch of our discover.Monsanto.com website in 2014, represents our willingness to directly engage with consumers about their increased interest in agriculture and food.
   - We share information about how we collaborate with academics and universities on monsanto.com: http://www.monsanto.com/improvingagriculture/pages/collaborating-with-academics-and-universities.aspx We also have provided brief summaries that provide context on the isolated email excerpts taken from FOIA email with academics. http://www.monsanto.com/newsviews/pages/questions-and-answers-monsanto-foia.aspx We fully stand by these professional relationships, communications and collaborations.

9. **Does Monsanto intend to adapt its strategy so as to prevent further erosion of public trust?**
   - We've done a good job of engaging with the science community, the agriculture chain and our farmer customers. We simply haven't engaged to the level we should have with consumers. We were absent from those conversations – we have nothing to hide, we just weren't talking about it.

- Hindsight is an important thing and, in our case, it's helping change how we engage more with all stakeholders.
    - We've enhanced our presence online through participation in places like GMO Answers, Twitter, Facebook, blogs and other channels where people want to talk about agriculture and their food.
    - We've also launched a new site discover.monsanto.com. Discover Monsanto is a place where people – including skeptics – can get information directly from Monsanto and ask questions they may have about our role in helping make a balanced plate accessible to everyone.
    - We're also showing up more in person. This includes showing up at places we have not been before and where people may have very different views than our own – and that is okay. First and foremost, we're at these places to listen. We're also there to engage in conversations about we do, why we do it, and why we're passionate about collaborating with others to find solutions to global issues.
- We think you'll continue to see us adapt to meet societal expectations. Transparency is part of our commitment to how we do business. It is part of our Monsanto Pledge: *We will ensure that information is available, accessible and understandable.*