

GROWING BETTER TOGETHER

2017 SUSTAINABILITY REPORT



BETTER PLANET



BETTER LIVES



BETTER PARTNER

MONSANTO



GROWING BETTER **TOGETHER**



Farming has always been about connections.

The Earth, its resources and the families who steward the land are all fundamentally connected to what we grow – both in the fields and in our communities.

Modern agriculture plays a leading role in building those connections, combining tradition with technology to help farmers grow better harvests using less land, less water and less energy. You can't always see them, but the connections are there – from billions of soil microbes interacting with crop roots to millions of data points reaching growers via satellite about the health of their fields.

As a global community, we face a wide range of challenges – a growing population, a changing climate and an increase in food insecurity in many parts of the world. At Monsanto, we're committed to helping create solutions to these challenges while helping to take care of our planet, our people and the communities where we live and work.

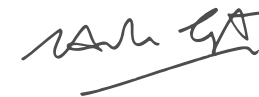
“At Monsanto, we're committed to helping create solutions to these challenges while helping to take care of our planet, our people and the communities where we live and work.”

I'm proud to share with you Monsanto's 2017 Sustainability Report, which has been prepared in accordance with the new Global Reporting Initiative Standards in our first reporting cycle since the Standards were released. Here you'll find information about our commitments to environmental sustainability, human rights, inclusion, philanthropy and transparency about our business practices. You'll also find progress on our continuing commitment to the United Nations Global Compact and Sustainable Development Goals.

Today, our company is building another important connection – one that will help continue to grow modern agriculture's investment in innovation and the growers who need it. In 2016, we entered into an agreement to be acquired by Bayer, a company that shares our understanding of the world's sustainability challenges and agriculture's unique position to help address them. I believe the combination of Bayer and Monsanto will accelerate the pace of innovation to more comprehensively address the challenges faced by growers, consumers, our population and our planet.

We're proud of the progress we've made on our sustainability commitments, but we know there's more work to do. We look forward to continuing to connect growers with sustainable solutions for better harvests worldwide.

Best regards,



Hugh Grant
Chairman and CEO



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EXECUTIVE SUMMARY

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MODERN AGRICULTURE helps make farming more sustainable by giving farmers digital tools and other advancements to grow crops using fewer natural resources. At Monsanto, our sustainability strategy is all about **Growing Better Together** on a foundation of principled business and human rights across three main focus areas: **Better Planet, Better Lives** and **Better Partner**. We have established specific goals and commitments within each focus area (see table on [Page 10](#)), but these reflect just some of the work we are doing in each category.

By 2050 we must collectively:

Produce up to

50%

MORE FOOD GLOBALLY

.....

DOUBLE

THE FOOD SUPPLY

in areas of greatest need

.....

AND FEED

2.5B

MORE PEOPLE

using the same amount of farmland as today

SOURCE: Adapted from information from the Food and Agriculture Organization of the United Nations



OUR APPROACH IS INFORMED by our own global materiality assessment (see [Pages 15-16](#)) and globally agreed upon agendas and accords like the 2030 Development Agenda of the United Nations and its [17 Sustainable Development Goals \(SDGs\)](#) and the [UN Global Compact](#), among others.

Monsanto's work contributes to each of the 17 SDGs. Through an extensive mapping process, we have identified six SDGs that are particularly relevant to Monsanto's business and three that are of significant importance to how we work.



BETTER PLANET
Take Action on Climate Change and Use Fewer Natural Resources



BETTER LIVES
Increase Food Availability and Access, and Improve Lives for Farmers and Society

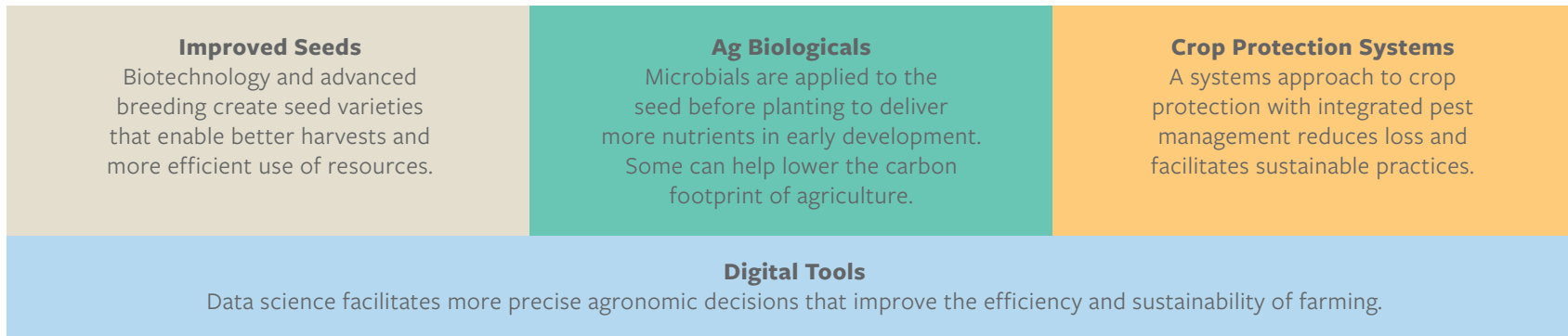


BETTER PARTNER
Act with Integrity and Transparency



To quickly access information in this report that demonstrates how we're supporting each of the 17 SDGs, please reference the Reporting Index starting on [Page 59](#).

A farmer makes 40+ key decisions that influence how successful their harvest will be each growing season. Modern agriculture provides the tools to help.



Field Insights



Nutrient Management



Irrigation Water Application



Pesticide Application



Weather Data



TAKE ACTION ON CLIMATE CHANGE AND USE FEWER NATURAL RESOURCES



ESTABLISHED
70+

habitats for monarch butterflies at our facilities through 2016, surpassing our goal

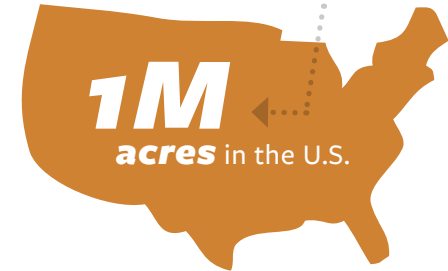
INVESTED
\$5M+

annually in honey bee health research since 2013



REACHED
92%

of our goal to reduce GHG emissions intensity from our crop protection operations by **22% by 2020**



Reached our goal three years early to help farmers use nutrients more efficiently and curb GHG emissions on

Progressed toward achieving a
CARBON NEUTRAL FOOTPRINT

by 2021 through operational improvements, new products and working with contract seed growers

IMPROVED OUR OVERALL IRRIGATION WATER APPLICATION EFFICIENCY TO
77%

and completed our third year as a **United Nations CEO WATER MANDATE** Steering Committee member



CONTINUED TO HELP FARMERS USE
1/3
FEWER RESOURCES PER UNIT

of corn, soybeans and cotton **by 2030**

IMPROVED HABITATS

Since 2015, we've more than doubled our number of sites certified by the Wildlife Habitat Council

FROM
15 TO 37

COLLABORATED WITH **CONSERVATION INTERNATIONAL** TO HELP PROTECT

5M
ACRES of FOREST

since 2008 and, in 2017, began building a multi-stakeholder coalition in Brazil

89%

of our waste was **diverted globally from landfills**. Earned Gold Level *Distinguished Zero Waste Facility Certification in Hawaii* for **diverting waste from landfills, incineration and the environment** at our Upper Kunia, Hawaii Farm.

Sites are reducing the amount of waste being sent to landfills with a focus on waste minimization, recycling and reuse.

More detailed information on progress against our goals can be found in the chart on [Page 10](#).

BETTER LIVES HIGHLIGHTS

INCREASE FOOD AVAILABILITY AND ACCESS, AND IMPROVE LIVES FOR FARMERS AND SOCIETY

TRAINED
2.5M+
SMALLHOLDER
FARMERS
on sustainable farming
practices in 2017

Continued to help
improve the lives of

5M
RESOURCE-POOR
FARM FAMILIES
by 2020

Helped improve
food security for
1.5M PEOPLE
in sub-Saharan
Africa through our
participation
in Water
Efficient
Maize for
Africa
(WEMA)



Established unified approach to

FOOD & NUTRITION SECURITY to:

- Enable Consistent Availability
- Support Access
- Promote Healthier Use

Continued to help farmers

**DOUBLE
YIELDS**

BY 2030

Corn, soybeans,
cotton and canola

REACHED

100K in **400**

FARMERS VILLAGES IN INDIA
through Project SHARE 2, an initiative to train
smallholder farmers on sustainable agriculture



3.7K EMPLOYEES
volunteered

90K+ HOURS

across many countries in 2016

(most recent data available; based on calendar year)



86% of our sites have
formal community

ENGAGEMENT PLANS

as of 2017, in pursuit of **100% by 2018**

AWARDED
\$6M

IN GRANTS IN 2017

from Monsanto Fund to rural
communities through the
America's Farmers programs

More detailed information on progress against our goals can be found in the chart on [Page 10](#).

BETTER PARTNER HIGHLIGHTS

ACT WITH INTEGRITY AND TRANSPARENCY

UNDERTOOK CLEAN WATER, SANITATION AND HYGIENE PROJECTS

at our facilities and in surrounding communities in support of our [Water, Sanitation and Hygiene \(WASH\)](#) commitment

TRAINED

1,750 COMPANY LEADERS in unconscious bias in 2017

bringing our total to **4,800** to meet our target of **5,000** by 2018

CONDUCTED

49K ASSESSMENTS

of our global business partners as part of our **effort to advance human rights**



REDUCED BY

49%

our worker injury severity rate since 2011 in pursuit of a

50%

REDUCTION by 2020



IMPLEMENTED OUR

SUPPLIER CODE OF CONDUCT with **62K suppliers** in pursuit of **100% implementation**

REACHED

18.4M+ PEOPLE




through **3,000+** in-person Off-the-Job **safety events and social media**



EXTERNAL RECOGNITION

- ▶ [2017 Fortune Magazine World's Most Admired Companies](#)
- ▶ [2017 DiversityInc Top 50 Companies for Diversity](#)
- ▶ [2017 Human Rights Campaign: Corporate Equality Index score of 100, earning Best Places to Work for LGBT equality](#)
- ▶ [2017 Working Mother 100 Best Companies](#)
- ▶ [2017 Military Friendly Employer](#)
- ▶ [2017 Science Magazine Top 20 Employers](#)
- ▶ [2017 CPA-Zicklin Index – Named Trendsetter for Political Disclosures \(score of 90+%\)](#)
- ▶ [ComputerWorld Best Places to Work in IT 2017](#)
- ▶ [Wildlife Habitat Council's Corporate Conservation Leadership Award](#)

More detailed information on progress against our goals can be found in the chart on [Page 10](#).

FOCUS AREA	GOAL/COMMITMENT	BASELINE YEAR	GOAL YEAR	PROGRESS		
				2015	2016	2017
Better Planet 	Achieve operational carbon neutral footprint	N/A	2021	Data modeling/sharing results, new products, operational improvements, working with contract seed growers and farmers; offset 200K metric tons of CO ₂ e		
	Reduce greenhouse gas emissions intensity by 22% on a per product basis from crop protection operations	2010	2020	73% of goal	89% of goal	92% of goal
	Increase irrigation water efficiency of global seed production by 25%	2010	2020	35% of goal	47% of goal	59% of goal
	Help farmers use nutrients more efficiently and curb GHG emissions on 1M U.S. acres	2014	2020	20% of goal	20% of goal	100% of goal
	Help farmers use one-third fewer resources per unit of corn, soybeans and cotton ¹	2000	2030	Percent of goal: Corn: 18% Cotton: 67% Soybeans: 45%	Percent of goal: Corn: 43% Cotton: 80% Soybeans: 40%	Percent of goal: Corn: 72% Cotton: 101% Soybeans: 54%
	Create monarch butterfly habitats at 70 of our facilities in North America	2015	2016	Goal surpassed in 2016: 72 monarch habitats		
Better Lives 	Help farmers double yields in corn, soybeans, cotton and canola ²	2000	2030	Percent of goal: Canola: 30% Corn: 21% Cotton: 37% Soybeans: 13%	Percent of goal: Canola: 44% Corn: 33% Cotton: 28% Soybeans: 21%	Percent of goal: Canola: 46% Corn: 35% Cotton: 32% Soybeans: 24%
	Improve the lives of 5 million resource-poor farm families ³	2000	2020	4.2M smallholder farmers; \$50B in additional net income (since 2008)	4.2M smallholder farmers; \$50B in additional net income (since 2008)	4.4M smallholder farmers; \$59.9B in additional net income (since 2008)
	Increase annual training of smallholder farmers on sustainable farming practices from about 2.5 million to 4 million	2017	2020	N/A	N/A	2.5M
	Establish sustainability and community engagement site plans at 100% of our breeding and production sites	2016	2018	Production sites: 100%	Production sites: 100% Plant Breeding sites: 20%	Production sites: 100% Plant Breeding sites: 66%
Better Partner 	Continuous improvement of sanitation at company-operated sites to fulfill WBCSD WASH pledge	Ongoing		See Page 48		
	Continue to assess business partners in seed production fields to eradicate child labor	Ongoing		See Page 48		
	Reduce worker injury severity index by > 50%	2011 (Index = 1.36)	2020	Index = .74	Index = .70	Index = .70
	Train 5,000 employees, with a focus on our leaders, to advance inclusion and collaboration	2014	2018	4,800 since 2014 1,750 in 2017		
	Implement the Supplier Code of Conduct across 100% of our global supply chain	Ongoing		100%		

To review the footnotes contained in this chart, click on any footnote to be taken to [Page 67](#) or simply visit that page.

GROWING BETTER TOGETHER

at Monsanto

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GROWING BETTER TOGETHER AT MONSANTO

Monsanto is a modern agriculture company, helping farmers large and small grow food more sustainably. From seed to software, we're developing tools to help growers protect natural resources while providing nourishment to the world. In the face of a changing climate and other environmental challenges, we help to ensure our agricultural systems continue to suit the needs of everyone.

We are a diverse collection of more than 20,000 food enthusiasts, moms and dads, innovators, botanists, farmers and thinkers. Through programs and partnerships, we collaborate with others to help tackle some of the world's biggest challenges.

ST. 
LOUIS,
MISSOURI, USA
Global Headquarters

Global Locations with
Significant Operations:

~350 FACILITIES
in **60** COUNTRIES

2017 Revenue:

\$14.6B

See our [2017 Form 10-K](#) for
Complete Financial Information

20K+
Employees Globally

See our [2017 Form 10-K](#) for details

INVESTING IN AN INDUSTRY LEADING PRODUCT PORTFOLIO

Best in class. Safe. Sustainable. We are dedicated to providing farmers innovative, high-quality crop production products and services that are most effective when used as part of an integrated systems approach. For more information visit our [website](#).



Seeds and Traits

We use plant breeding and modern scientific techniques to develop row crop and vegetable seeds that enable better harvests while using resources more efficiently.



Crop Protection

We work to create sustainable solutions to help protect crops, promote plant health and minimize environmental impact.



Data Science

We help farmers use data, algorithms and simulations to farm more sustainably. With information at their fingertips, they can make decisions in real time about how best to apply resources, increasing efficiency.



Global Licensing of new Gene-editing Techniques

Gene-editing techniques, including CRISPR-Cas, offer scientists another way to integrate the most desirable plant traits into seeds for farmers with more efficiency and precision than ever before. While we have been researching gene-editing techniques for years, we've recently announced several licensing agreements with the Broad Institute (September 2016, January 2017), [Dow AgroSciences](#), [TargetGene Biotechnologies](#), [ToolGen](#) and [Nomad Bioscience](#) to integrate additional technology into our portfolio.

MONSANTO GROWTH VENTURES

Monsanto Growth Ventures (MGV), the venture capital arm of our company, has invested in about a dozen independent companies that are **contributing to advancements in agricultural productivity, digital agriculture and biologicals**. Some examples are highlighted below. Learn more on our [website](#).

AGBIOME



Discovers and develops biologicals, traits and innovative biofungicide products

ARVEGENIX



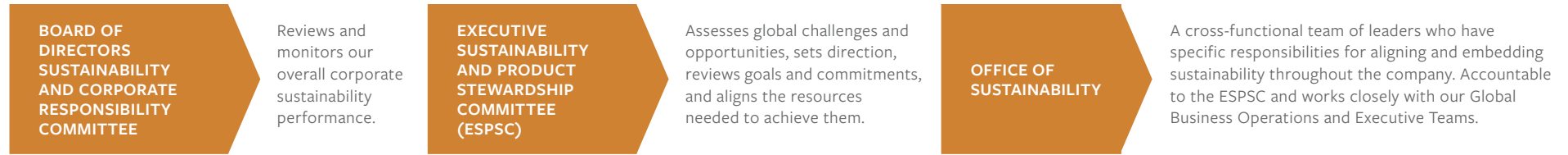
Works to transform field pennycress into a commercially viable cover crop

BLUE RIVER TECHNOLOGY



Uses computer vision and machine learning for precision weeding and herbicide application

Governing and Managing Our Sustainability Commitments For more information on our governance structure, please see [Page 56](#) and our [Reporting Index](#).



Working Collaboratively and Transparently

We interact in a transparent way with organizations and individuals on an ongoing basis as part of regularly planned visits, technical seminars, conferences and updates. Although the frequency and types of our engagements vary, the intent to stay engaged in areas of mutual interest is foremost in our minds. We have also developed and co-sponsored online forums where consumers can ask questions about where their food comes from and other topics of interest. These include [The Conversation](#), [La Conversación](#), [GMO Answers](#) and [Hablemos Claro](#).

We engage with stakeholders that have interests in agriculture production • water • soil health • human rights • climate change • food and nutrition security • biodiversity • food labeling • science and technology • business practices • innovation • inclusion and diversity • youth development • community health and other topics related to our business.

This table provides just a sampling of the numerous stakeholders with whom we engage around the world.

ADVOCACY AND PROFESSIONAL GROUPS

1890s Land Grant Institutions • Academy for Nutrition and Dietetics • African Agricultural Technology Foundation (AATF) • Borlaug Training Foundation • Business for Social Responsibility (BSR) • Climate Leadership Group • Field to Market Alliance • Honey Bee Health Coalition • Institute for Sustainable Agriculture • International Institute of Tropical Agriculture (IITA) • National Black Growers Council • Network USA of United Nations Global Compact • Soil Health Partnership • Wildlife Habitat Council • World Economic Forum (WEF) New Vision for Agriculture

INDUSTRY GROUPS

American Production and Inventory Control Society (APICS) • Biotechnology Innovation Organization • Clean Cargo Working Group (CCWG) • Council of Supply Chain Management Professionals (CSCMP) • CropLife International and Regional CropLife entities • Excellence Through Stewardship • Global Sourcing Council • Grocery Manufacturers Association • International Seed Federation • National and Regional Seed and Crop Industry Associations • National, Regional and Local Farmers' Associations

DIVERSITY GROUPS

Black Data Processor Association • Business and Professional Women's Foundation • DiversityInc. • Federacion Mexicana De Empresarios LGBT (FME LGBT) • Integrate • Mid-States Minority Supplier Development Council • National Gay and Lesbian Chamber of Commerce (NGLCC) • National Minority Supplier Development Council (NMSDC) • Society of Women Engineers • Southern Regional Minority Supplier Development Council • St. Louis Minority Business Council • Veteran Business Resource Center • Vital Voices • WEConnect International • Women's Business Development Center (WBDC) • Women's Business Enterprise Council South • Women's Business Enterprise National Council • Women's Minority Business Development Agency Business Center Chicago

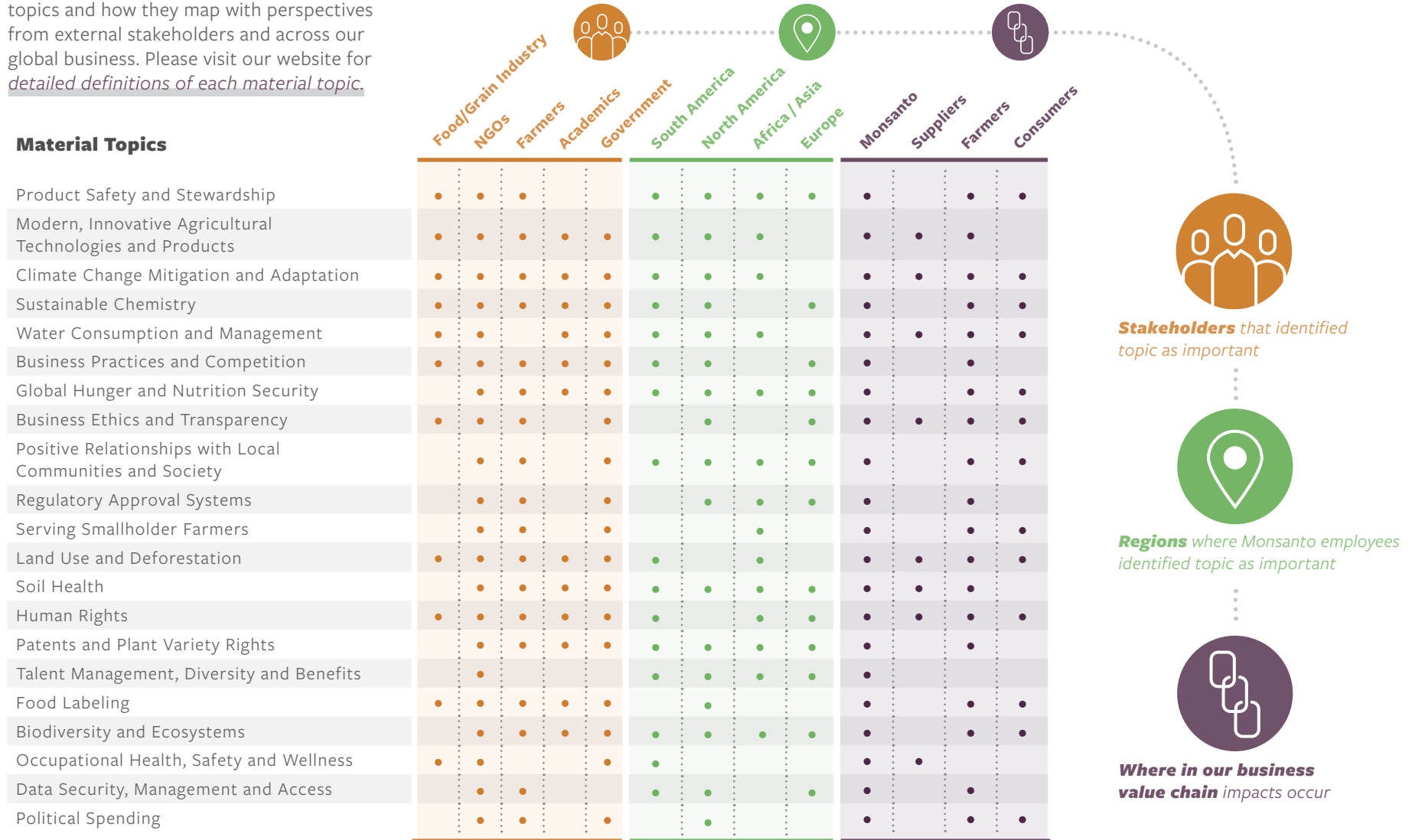
External Charters and Principles

Monsanto's policies and business activities are informed by a variety of external charters and principles. Some of these include, but are not limited to:

- ▶ American Business Act on Climate Pledge
- ▶ Customs-Trade Partnership Against Terrorism (C-TPAT)
- ▶ International Labour Organization's Fundamental Principles and Rights at Work
- ▶ Privacy and Security Principles for Farm Data
- ▶ Sustainable Development Goals
- ▶ United Nations Global Compact (UNGC)
- ▶ UNGC CEO Water Mandate
- ▶ Universal Declaration of Human Rights
- ▶ World Business Council on Sustainable Development (WBCSD) WASH Pledge

MONSANTO WORKED WITH *Business for Social Responsibility* (BSR) to identify the sustainability topics that matter most to the success of our company and to our many stakeholders, both internal and external. This process, known as a materiality assessment, was conducted in 2015, and we expect the results to be relevant for at least several years. The assessment is designed to inform our sustainability strategy, business actions and the content of this report.

The chart below summarizes the identified topics and how they map with perspectives from external stakeholders and across our global business. Please visit our website for [detailed definitions of each material topic](#).



CONNECTING COMMITMENTS TO MATERIAL TOPICS

Most of our sustainability commitments relate to multiple material topics, and virtually all of our material topics are positively impacted by at least one of our commitments. The chart below draws these connections, some of which may be more obvious than others. In addition to setting commitments, we manage our material topics through an array of policies, positions and other guiding principles, including those topics for which we have not established formal commitments, such as Food Labeling, Data Security Management and Access, and Political Spending.

▼ Commitment	Topic ▶	Material Topics																	
		Product Safety & Stewardship	Modern Innovative Agricultural Technologies & Products	Climate Change Mitigation & Adaptation	Sustainable Chemistry	Water Consumption & Adaptation	Business Practices & Management	Global Hunger & Nutrition Security	Business Ethics & Transparency	Positive Relationships w/ Local Communities	Regulatory Approval Systems	Serving Smallholder Farmers	Land Use and Deforestation	Soil Health	Human Rights	Patents and Plant Variety Rights	Talent Mgmt, Diversity & Benefits	Biodiversity & Ecosystems	Occupational Health, Safety & Wellness
Achieve operational carbon neutral footprint		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Reduce greenhouse gas emissions intensity by 22% on a per product basis from crop protection operations		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Increase irrigation water efficiency of global seed production by 25%		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Help farmers use nutrients more efficiently and curb GHG emissions on 1M U.S. acres		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Help farmers use one-third fewer resources per unit of corn, soybeans and cotton ¹		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Create monarch butterfly habitats at 70 of our facilities in North America						•	•	•	•	•	•	•	•	•	•	•	•	•	•
Help farmers double yields in corn, soybeans, cotton and canola ³		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Improve the lives of 5 million resource-poor farm families ⁵		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Increase annual training of smallholder farmers on sustainable farming practices from about 2.5 million to 4 million		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Establish sustainability and community engagement site plans at 100% of our breeding and production sites		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Continuous improvement of sanitation at company-operated sites to fulfill WBCSD WASH pledge					•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Continue to assess business partners in seed production fields to eradicate child labor									•	•	•	•	•	•	•	•	•	•	•
Reduce worker injury severity index by > 50%						•	•	•	•	•	•	•	•	•	•	•	•	•	•
Train 5,000 employees, with a focus on our leaders, to advance inclusion and collaboration									•	•	•	•	•	•	•	•	•	•	•
Implement the Supplier Code of Conduct across 100% of our global supply chain		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•



BETTER PLANET



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- ▶ **Advocating for Biodiversity** 25
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MANAGEMENT APPROACH



Our commitment to a Better Planet is managed strategically from within and in collaboration with many external stakeholders. We have established a portfolio of guidelines, position statements and best practices that inform our actions, and we have voluntarily set ambitious environmental goals (see Page 10). We evaluate the effectiveness of these management systems in light of progress against our goals and input from external stakeholders.

MATERIAL TOPICS COVERED

CLIMATE CHANGE
MITIGATION &
ADAPTATION

SUSTAINABLE
CHEMISTRY

WATER
CONSUMPTION
& MANAGEMENT

LAND USE &
DEFORESTATION

SOIL
HEALTH

BIODIVERSITY
& ECOSYSTEMS

Our [Environmental Management Guidelines](#) highlight our commitment to environmental management systems such as [ISO 14001](#). Notably, 100 percent of our global crop protection chemical production sites are externally validated through the ISO 14001 or RC14001® and all of our seed production locations have comprehensive environmental management systems in place. We periodically audit all of our manufacturing and research and development locations and regularly report the progress to the highest levels of management and our board of directors.

ENVIRONMENTAL MANAGEMENT

We have committed to achieving a carbon neutral footprint by 2021 and are promoting climate-smart crop production in the broader agriculture industry in a manner aligned with the USDA's [10 Building Blocks for Climate-Smart Agriculture plan](#). Soil health is central to both our climate action strategy and our approach to biodiversity. The initiatives and collaborations outlined in this section detail how we're working to mitigate climate change through reducing agriculture related emissions and helping farmers around the world adapt to its effects.

CLIMATE ACTION & SOIL HEALTH

BIODIVERSITY

Our [Biodiversity Position](#) aligns with the [United Nations Convention on Biological Diversity](#), our business goals and the needs of farmers and society. It consists of the following components:

- Protect species
- Promote sustainable landscapes
- Preserve and improve plant varieties and share benefits

WATER

We map water risks at all of our facilities across the globe using the [World Resources Institute Aqueduct Map](#) and create risk management plans as needed. We have set a broad-based irrigation water application efficiency goal that encompasses our contract seed growers. Monsanto is also a member of the [UN Global Compact CEO Water Mandate](#), and we're in our third year of serving on the Mandate's Steering Committee.

CLIMATE CHANGE is one of the biggest challenges we face in agriculture, as well as one of the most pressing challenges facing humanity. According to the World Economic Forum, climate change is fourth on the list of **top global challenges**. It is bad for the environment, bad for agriculture and poses a threat to food security. Year after year, farmers have had to adapt to severe droughts, unpredictable temperatures and more erratic precipitation and weather patterns.



24%
of human-related GHG emissions come from agriculture, forestry and other changes in land usage.

Fifth Assessment Report of the Intergovernmental Panel on Climate Change

MODERN AGRICULTURE AND CLIMATE-SMART PRACTICES ARE PART OF THE SOLUTION

Digital tools and other advancements enable farmers to help mitigate climate change and adapt to its effects on agricultural productivity, while continuing to be a positive force in the fight against it.

CLIMATE-SMART PRACTICES

 **BIOTECH SEEDS & CROP PROTECTION**
Enables no-till farming

 **REDUCED TILLAGE**
Helps protect soil structure and keeps carbon in the soil

 **COVER CROPS**
Protect soil between growing seasons

 **MICROBIALS**
Promote root growth and nutrient uptake

 **HIGHLY PRODUCTIVE CROPS**
Improve harvests and land use

 **DATA ENABLED PRECISION AG**
Enables better informed decisions about applying inputs

BENEFITS OF CLIMATE-SMART PRACTICES

ABSORBS CARBON
from the atmosphere

CUTS CARBON
emissions from tilling

RETURNS CARBON
to the soil

STORES CARBON
in the soil

GETTING TO CARBON NEUTRALITY AT MONSANTO ... AND BEYOND

Agriculture is uniquely positioned to deliver climate change solutions. Monsanto is committed to achieving an operational carbon neutral footprint by 2021. But collectively we can and need to do even more. That’s why we’re leading by example as we engage in collaborations with business partners, NGOs, farmers and others to advance environmental sustainability and reduce the global carbon footprint of agriculture.

TAKING A PORTFOLIO APPROACH TO CARBON NEUTRALITY AT MONSANTO AND PROMOTING CLIMATE-SMART AGRICULTURE



IMPROVEMENTS WITHIN OUR OPERATIONS

We have reduced the carbon intensity of our crop protection business and offset our carbon footprint by more than 200K metric tons through:

- ▶ **Driving annual greenhouse gas emission reductions** through operational improvements like energy efficient technologies, cleaner power and investments in alternative energy sourcing
- ▶ **Working with our contract seed growers** to encourage climate-smart crop production methods



JOINT EFFORTS WITH FARMERS AND GLOBAL PARTNERS

- ▶ **WIDESPREAD ADOPTION** of climate-smart products and practices by **commercial farmers** can dramatically reduce agriculture’s carbon footprint
- ▶ We have joint efforts in place with **six leading retail partners** to drive adoption of climate-smart practices
- ▶ We expect **more than 100 farmers** to participate



BREAKTHROUGH PRODUCTS

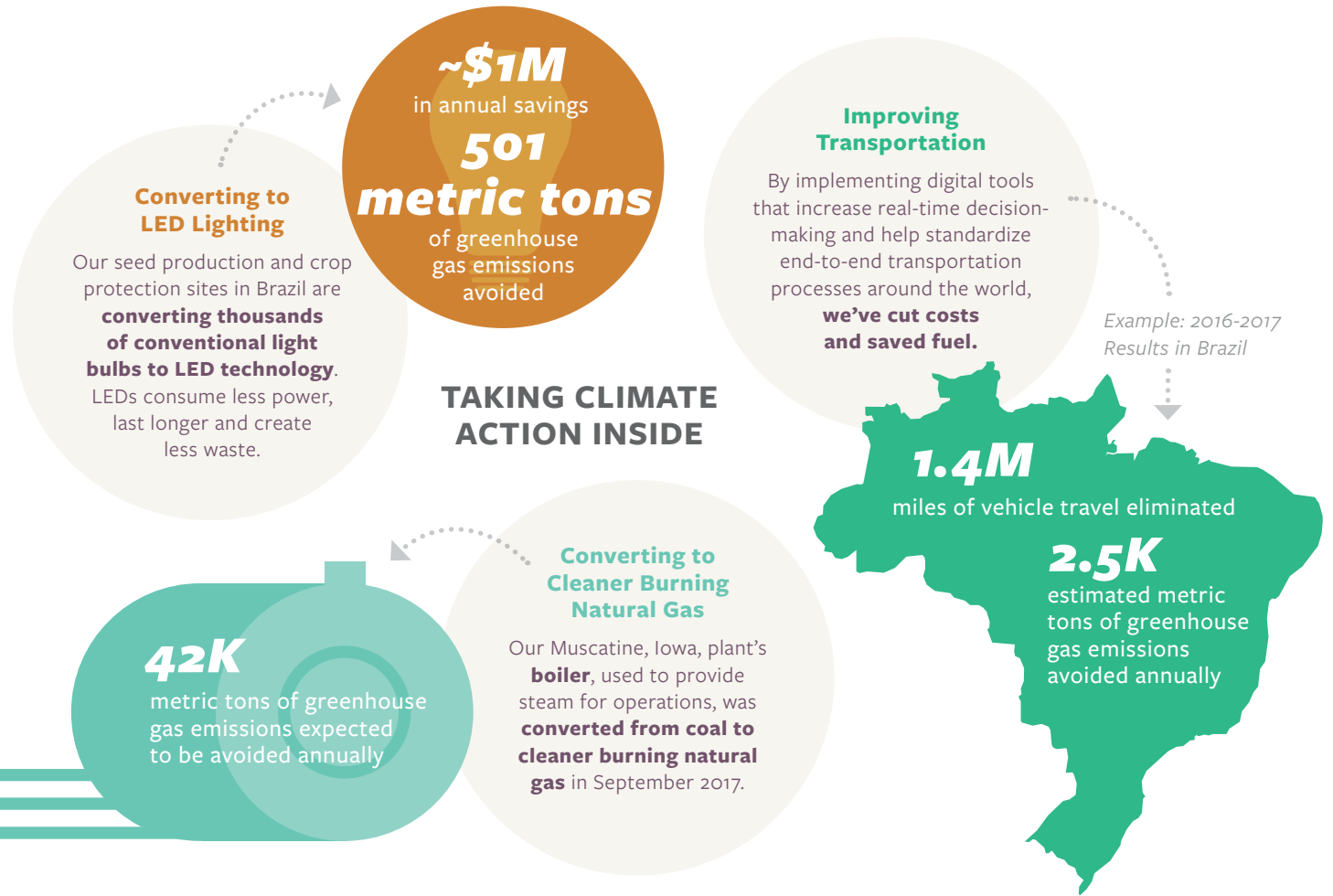
Our product portfolio will play an important role in achieving our goal and in helping to reduce the carbon footprint of agriculture. Examples include:

- ▶ **MICROBIALS** and other products have **significant potential** to help crops absorb and store more greenhouse gas in the soil
- ▶ **DIGITAL TOOLS** help farmers **optimize** resources like **nitrogen** that can have a **positive impact** on reducing greenhouse gas emissions

Applying Expertise and Rigor to Our Carbon Neutral Commitment

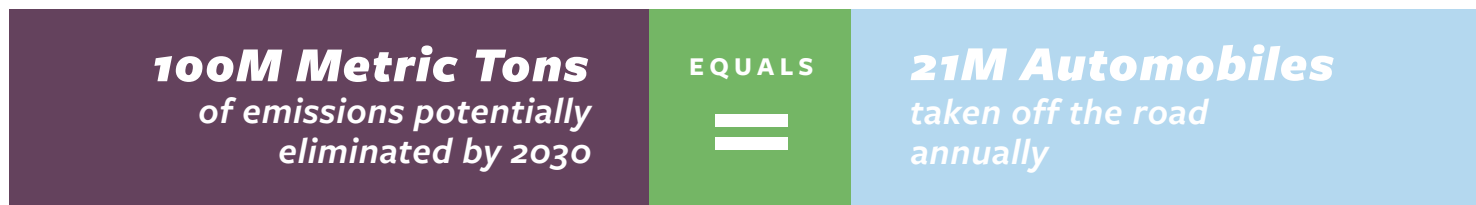
We established the **Carbon-Neutral Collaborative**, a group of experts in agricultural greenhouse gases, to help chart our path to carbon neutrality and provide advice.

The *National Corn Growers Association* (NCGA), Monsanto and others joined forces to develop a formal accounting framework to measure how agricultural practices can mitigate greenhouse gas emissions. Together, we applied for and secured a **USDA Conservation Innovation Grant of \$1M to match Monsanto's contribution of \$1.6M** and in-kind giving of resources.



QUANTIFYING AGRICULTURE'S ABILITY TO COMBAT CLIMATE CHANGE

Monsanto commissioned third-party expert *ICF International* to study agriculture's potential for reducing greenhouse gas emissions in the U.S. Corn Belt. The resulting report concluded that widespread adoption of sustainable farming practices could reduce over **100M metric tons** of emissions.



Great progress has already been made to reduce agriculture’s carbon footprint. But, to sustainably feed 9.6 billion people by 2050, we must work collectively to do even more.

SOIL HEALTH PARTNERSHIP (SHP)

Monsanto has invested significantly in better understanding prosperous, productive soils and the modern agriculture practices that promote soil health. We are a founding sponsor and steering team member of the Soil Health Partnership (SHP), an initiative of the National Corn Growers Association (NCGA). We are working with SHP, the Walton Family Foundation, other industry leading companies and key environmental NGO advisors to optimize and increase climate-smart farming adoption, improve soil health and provide economic and environmental benefits.

HEALTHY SOIL FIGHTS CLIMATE CHANGE

Healthy, untilled soil stores carbon that’s been absorbed through crops and plant materials and keeps it from the air where it might otherwise have contributed to climate change.

111

FARMS ACROSS NINE MIDWESTERN STATES participated in field testing



\$1M

grant from the U.S. Department of Agriculture — Natural Resources Conservation Service to NCGA to help quantify the impact of climate-smart farming practices **and to match**

\$1.6M

investment from Monsanto to support the pursuit of a framework to account for the environmental benefits of farm systems

MIDWEST ROW CROP COLLABORATIVE

Monsanto actively serves in the Midwest Row Crop Collaborative, a collaboration of nine major corporations focused on improving the environmental impacts of the agriculture value chain, starting with essential practices that improve soil health on U.S. farmlands. Monsanto joined forces with Cargill, General Mills, Kellogg’s, Land O’Lakes, McDonald’s, PepsiCo, UniLever and Walmart to support agricultural systems approaches to improve soil health, protect watersheds and steward the environment.

CLIMATE-SMART AGRICULTURE (CSA) WORKING GROUP

Kellogg’s, PepsiCo, Monsanto and Olam, co-chair the CSA Working Group, which is part of WBCSD’s Low Carbon Technology Partnerships initiative (LCTPi) aiming to expand adoption of climate-smart agricultural systems worldwide. See the Low Carbon Technology Partnerships Initiative Report 2017 for more information.

2018-2020 LCTPi ACTION AREAS: **1)** Build Resilience and **2)** Implement Sustainable Land-Use Commitments and Zero Agriculture-Driven Deforestation through additional partnerships, financial products, field tests and scale-up activities.

“Working with the CSA has had the dual benefits of making me a more productive and sustainable farmer while also helping to address climate change.”

- Fred Yoder, Row Crop Farmer, United States

BIODIRECT™ TECHNOLOGY

We are developing products that engage a naturally occurring process called RNA interference (RNAi) to help farmers protect crops against damaging pests and weeds.



Agricultural Biologicals are derived from **NATURAL MATERIALS**

or use

NATURALLY OCCURRING

processes to provide benefits to crops

MICROBIALS

A tablespoon of soil contains around 50 billion naturally occurring microbes. Microbes have been used in our food for thousands of years. For agriculture, products containing these tiny organisms can be applied to the surface of seeds to complement — or provide an alternative to — chemical agricultural products.

Through the *BioAg Alliance*, we're partnering with *Novozymes* on research and development of microbial technology to improve productivity of crops around the world.

Benefits for Crops:

- ▶ Make better use of nutrients
- ▶ Enhance root growth
- ▶ Protect against pests and disease
- ▶ Improve tolerance to harsh weather



The Climate Corporation, a Monsanto subsidiary, aims to help farmers sustainably increase their productivity with digital tools.

120M acres of farmland mapped

in The Climate Corporation's FieldView™ platform, the most widely adopted digital agriculture platform in the industry. In January 2017, The Climate Corporation announced its industry-leading R&D pipeline of more than 35 projects, the first in-depth pipeline of its kind in the digital agriculture industry. In August 2017, the company announced that it's continuing to help move farming forward with several projects advancing quickly through its innovation pipeline to help farmers harness their data to identify and better manage variability in their fields, tailoring inputs to sustainably optimize yield.

Manual Fertility Scripting

is The Climate Corporation's next step in developing a comprehensive fertility solution for farmers. Farmers can create a customized management plan for nitrogen, phosphorus, potassium and lime tailored to their unique goals, saving time, optimizing inputs and improving on-farm productivity. In addition to new fertility prescription tools, Climate FieldView offers nitrogen monitoring tools that can help farmers use nitrogen more efficiently, reducing impacts from greenhouse gas emissions and water runoff.



Today, BioAg Alliance products are used on

80M Acres

By 2025, estimated product use is **250-500M Acres Globally**



UN CEO WATER MANDATE

Monsanto is a member of the *UN Global Compact CEO Water Mandate* and was invited to serve on the Mandate's Steering Committee for a third year.

Fresh water
is becoming increasingly scarce,
 so we must optimize our water use and provide farmers with tools to do the same, while also helping them adapt in times of water scarcity. Better use of this precious resource also protects water quality and reduces the potential for nutrient runoff.

USING WATER MORE EFFICIENTLY

In support of our goal to achieve a **25% increase** in irrigation water efficiency of global seed production by 2020

9.6M+ Liters of rain water recycled Because droughts can last for years in India, we installed harvesting pits that collect rainwater at our breeding and supply chain sites in Bangalore and Hyderabad.

15-20% Water Reduction using sub-surface drip irrigation and soil moisture sensors in South America at our research sites in Brazil and Chile.

ADDRESSING WATER RISKS

- 2015:** Mapped water risks at all of our global facilities using the *World Resources Institute Aqueduct Map*. Identified 14 facilities in high-risk areas and developed corrective action plans
- 2016:** Tracked progress against plans; identified and shared best practices
- 2017:** Remapped water risks and reduced high-risk designations to 13 facilities, which continue to make progress

HydroBio

HydroBio was acquired by our subsidiary The Climate Corporation after being a part of Monsanto Growth Ventures' investment portfolio. Using satellite imagery, soil data and hyper-local weather data, HydroBio helps farmers improve water-use efficiency and gain better harvests.



PURSuing GLOBAL IRRIGATION EFFICIENCY

We installed high efficiency drip and center pivot irrigation systems in production fields located in France, Hungary and Romania and continue to update our irrigation systems in Argentina, Brazil and the United States.

MODERN AGRICULTURE PRACTICES can positively affect biodiversity. Through our efforts and collaborations, we're working to protect species and promote sustainable landscapes. Learn more [online](#).



Supporting the Flight of the Monarch

Each year, in one of nature's greatest spectacles, monarch butterflies migrate from parts of the United States and Canada to a winter site in Mexico. For a variety of reasons, the monarch populations that make this trip are declining, which is why we are collaborating on outreach and habitat expansion to promote a resilient monarch population.

Monarch Sanctuary

In February 2017, Monsanto and others visited Reserva de la Biosfera Mariposa Monarca, the winter home to millions of monarch butterflies in Mexico as part of an immersion experience to bring U.S. agriculture and conservation leaders together to help preserve species. See [HuffPost](#) for more information.

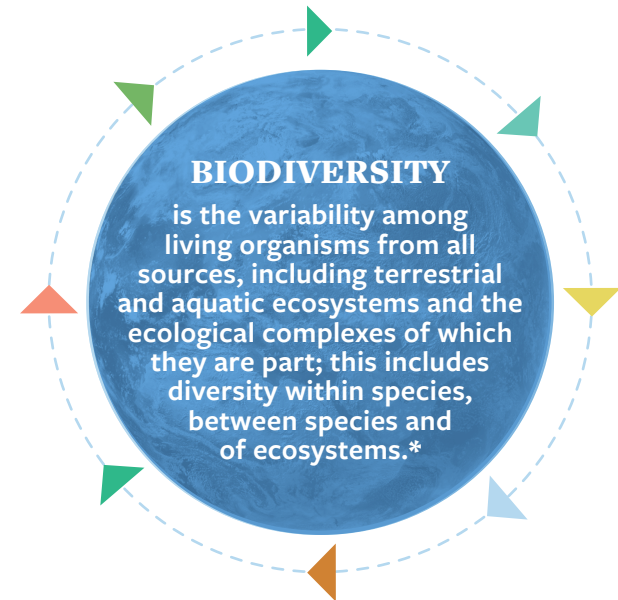
NATIONAL FISH AND WILDLIFE FOUNDATION (NFWF)

Monsanto is the primary corporate funder of the NFWF [Monarch Butterfly Conservation Fund](#), a partnership that supports priority conservation needs.

MONSANTO COMMITMENT

\$3.6M over three years, starting in 2014

Activity	2017	To Date
Projects Funded	23	70
Acres Restored/Enhanced	43,000+	127,000+
Seedlings Planted	131,000	790,000
Workshops/Webinars Hosted	~210	~730



With our financial support [Monarch Watch](#) has produced and distributed 200,000 milkweed plants, the only source of food for monarch caterpillars.



We're working with collaborators on a program that encourages farmers to participate in voluntary conservation efforts to increase monarch habitats.

*Biodiversity definition adapted from the UN Convention on Biological Diversity

Investing in Honey Bee Health

1 in 3 Bites of Our Food

Relies on Honey Bee Pollination

Honey bees face many challenges to their health, especially the parasitic varroa mite. We are working hard with strategic partners to help find solutions to this complex challenge.

We played a *significant role in the formation* of the *Honey Bee Health Coalition* (HBHC) and remain active in the organization.



HONEY BEE HEALTH COALITION

HBHC RECENT ACTIVITIES

Tools for Varroa Management guidebook (sixth edition) downloaded 50,000 times, developed by HBHC with help from Monsanto

The Bee Integrated Demonstration Project will bring together beekeeper-farmer pairs to show how a suite of best practices can be implemented together in agricultural landscapes

The Bee Nutrition Challenge Innovation Award is an HBHC contest seeking creative, practical solutions to accelerate and pioneer the field of honey bee nutrition

HBHC FAST FACTS

- 40 members from nonprofits, government, academia and business
- Convened by the *Keystone Policy Center*
- Supports a healthy honey bee population

\$5M+

Invested annually by Monsanto in R&D on varroa mites – the largest factor in the decline of honey bees. Field trials to test a topical treatment applied to honey bee hives are underway.



Habitats and Sustainable Landscapes

5M ACRES with improved *protection* since 2008 in partnership with *Conservation International* with whom we're now building a coalition of farmers, government and agribusiness to deliver climate-smart agriculture practices in Brazil

70+ **POLLINATOR-FRIENDLY HABITATS** planted at our sites in conjunction with *Pheasants Forever*

37 **HABITATS CERTIFIED** by the *Wildlife Habitat Council (WHC)* at Monsanto sites

AWARDED THE 2017 CORPORATE CONSERVATION LEADERSHIP AWARD, WHC'S TOP RECOGNITION

70K

U.S. farmers received \$100 million in incentives from Monsanto for using Roundup Ready PLUS® Crop Management Solutions, a platform to encourage the use of multiple herbicides from different companies to guard against weed resistance.

Responsible and Systematic Pest Control

Farmers seek systematic ways to protect their fields from weeds, disease and insects. Modern agriculture offers farmers increased precision, more effective crop protection approaches, and digital tools that can help them apply the protection needed in the right amount, in the right place and at the right time. Innovation and increased precision supports an integrated pest management (IPM) system, helping farmers use resources more efficiently and effectively.

See page 68 for Independent Data Assurance Statement.

	CROP PROTECTION			SEEDS & TRAITS			COMPANY TOTALS		
	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17
ENERGY CONSUMPTION									
Direct Energy Consumption (1000 gigajoules) - Scope 1	10,600	9,640	9,910	3,690	2,700	2,960	16,500	14,400	15,100
<i>Natural Gas and Other Gaseous Fuels</i>	6,230	5,460	5,700	2,800	1,900	2,140	9,030	7,360	7,840
<i>Oil (including Diesel)</i>	423	444	569	891	797	820	3,530	3,320	3,650
<i>Coal, Coke and Other Solid Fuels</i>	1,360	1,300	1,180	0.2	0.4	0.2	1,360	1,300	1,180
<i>Waste Fuel</i>	2,590	2,440	2,460	-	-	-	2,590	2,440	2,460
Indirect Energy Consumption (1000 gigajoules) - Scope 2	8,980	8,860	8,790	1,880	1,650	1,730	10,900	10,500	10,500
<i>Purchased Electricity</i>	6,910	6,780	6,790	1,880	1,650	1,730	8,780	8,420	8,520
<i>Purchased Steam</i>	2,070	2,080	2,000	-	-	-	2,070	2,080	2,000
Primary Sources in Electricity Generation									
<i>Hydro, Biomass, Geothermal, Nuclear, Solar, Wind</i>	49%	57%	48%	37%	36%	36%	46%	53%	45%
<i>Natural Gas and Other Gaseous Fuels</i>	18%	16%	15%	19%	18%	15%	18%	16%	15%
<i>Coal, Coke and Other Solid Fuels</i>	31%	26%	36%	38%	42%	45%	33%	29%	38%
<i>Oil (including Diesel)</i>	1%	1%	1%	6%	4%	4%	3%	2%	2%
Total Energy Consumption (1000 gigajoules) - Scope 1 and 2	19,600	18,500	18,700	5,560	4,340	4,690	27,400	24,900	25,700
<i>Energy Intensity (gigajoules per \$1,000 Revenue) - Scope 1 and 2</i>	-	-	-	-	-	-	1.82	1.85	1.75
GREENHOUSE GAS EMISSIONS									
Direct GHG Emissions - Scope 1 (1000 metric tons CO₂e)	1,330	1,290	1,300	219	159	174	1,700	1,590	1,620
Indirect GHG Emissions - Scope 2 (1000 metric tons CO₂e) - Location Based	964	827	984	277	246	265	1,240	1,070	1,250
Indirect GHG Emissions - Scope 2 (1000 metric tons CO₂e) - Market Based	-	837	984	-	249	266	-	1,090	1,250
Total GHG Emissions - Scope 1 and 2 (1000 metric tons CO₂e) - Location Based	2,300	2,110	2,280	496	406	438	2,940	2,660	2,870
<i>GHG Emissions Intensity (metric tons per \$1,000 Revenue) - Location Based</i>	-	-	-	-	-	-	0.196	0.197	0.196
Total GHG Emissions - Scope 1 and 2 (1000 metric tons CO₂e) - Market Based	-	2,130	2,280	-	408	440	-	2,670	2,870
<i>GHG Emissions Intensity (metric tons per \$1,000 Revenue) - Market Based</i>	-	-	-	-	-	-	-	0.198	0.196

See page 29 for key for environmental data tables and footnotes

	CROP PROTECTION			SEEDS & TRAITS			COMPANY TOTALS		
	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17
OTHER EMISSIONS									
Sulfur Oxide (SOx) Emissions (metric tons)	1,520	1,410	1,280	*59.4	*57.6	74.8	*1,580	*1,470	1,350
Nitrous Oxides (NOx) Emissions (metric tons)	3,280	3,030	2,940	*770	*664	700	*4,050	*3,690	3,640
Volatile Organic Compound (VOC) Emissions (metric tons)	93.0	88.6	88.5	*96.4	*94.4	108	*189	*183	197
WATER USE									
Fresh Water Withdrawal (1000 cubic meters)	*26,500	26,600	24,800	*24,400	*22,400	17,400	*50,900	*49,000	42,200
Surface Water	5,750	5,720	5,620	8,130	5,480	3,430	13,900	11,200	9,050
Ground Water	*19,300	19,500	17,700	*9,810	*12,600	9,400	29,100	32,100	27,100
Municipal Water	1,340	1,180	1,150	6,000	3,790	4,080	7,350	4,970	5,240
Collected Rainwater	87.2	39.1	89.9	275	168	128	362	207	218
Purchased Wastewater for Reuse	-	-	-	186	396	309	186	396	309
Misc. Water Purchases (bulk, deionized and bottled)	0.6	180	249	3.6	4.6	6.7	4.2	185	256
Water Reuse and Recycling (1000 cubic meters)	337,000	336,000	357,000	2,870	2,600	3,680	340,000	339,000	361,000
Volume of Condensate/Cooling Tower Water Recycled/Reused	334,000	332,000	355,000	2,820	2,560	3,650	337,000	334,000	359,000
Volume of On-Site Process Wastewater Recycled/Reused	3,390	4,860	1,960	52.4	36.0	32.5	3,450	4,900	1,990
Process Wastewater Discharged (1000 cubic meters)	19,400	17,400	18,500	664	630	798	20,100	18,000	19,300
Discharged to Off-Site Treatment (e.g. publicly owned treatment works)	720	594	614	409	400	638	1,130	995	1,250
Permitted Discharges to Subsurface (e.g. deepwell/leachfield)	2,020	2,150	2,260	-	-	0.6	2,020	2,150	2,260
Permitted Discharges to Surface (e.g. river)	16,700	14,700	15,600	255	230	160	17,000	14,900	15,700
Process Wastewater Quality for Direct Surface Water Discharges (metric tons)									
Biological Oxygen Demand	52.3	60.0	56.5	-	-	-	52.3	60.0	56.5
Nitrates/Nitrogen to Surface Water (as N)	44.8	65.9	86.4	-	-	-	44.8	65.9	86.4
Phosphates (as PO4)	216	364	383	-	-	-	216	364	383
Total Suspended Solids	37.6	92.0	54.6	-	-	-	37.6	92.0	54.6

See page 29 for key for environmental data tables and footnotes

	CROP PROTECTION			SEEDS & TRAITS			COMPANY TOTALS		
	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17
WASTE									
Hazardous Waste (metric tons)	2,930	4,370	7,200	6,310	8,030	4,110	9,240	12,400	11,300
Energy Recovery	544	197	449	72.4	261	775	617	458	1,220
Incineration	2,180	3,780	5,970	4,700	5,400	1,540	6,880	9,180	7,510
Landfill	44.1	238	252	242	304	320	286	542	572
Reuse/Recycling/Composting	158	161	520	1,300	2,060	1,480	1,460	2,220	2,000
Non-Hazardous Waste (metric tons)	*21,200	*25,700	35,900	*195,000	*256,000	323,000	*216,000	*282,000	358,000
Energy Recovery	*150	468	423	*89,000	*105,000	94,700	*89,100	*106,000	95,200
Incineration	1,310	1,430	1,760	4,770	5,530	15,100	6,080	6,960	16,900
Landfill	*12,600	*16,800	23,300	17,400	17,400	17,800	30,000	34,200	41,100
Reuse/Recycling/Composting	7,140	7,030	10,400	*83,500	128,000	195,000	90,600	135,000	205,000
Total Waste (metric tons)	*24,200	*30,100	43,100	*201,000	*264,000	327,000	*225,000	*294,000	370,000
Landfill Diversion Rate	48%	43%	45%	91%	93%	94%	87%	88%	89%
SCOPE 3 - OUTSIDE OF THE ORGANIZATION									
	CONTRACTED LAND			LOGISTICS & BUSINESS TRAVEL			SCOPE 3 TOTALS		
	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17	FY '15	FY '16	FY '17
Energy Consumption - Direct and Indirect (1000 gigajoules)	1,940	2,030	2,100	4,990	5,070	5,900	6,930	7,100	8,000
GHG Emissions - Direct and Indirect (1000 metric tons CO ₂ e)	162	170	186	371	379	441	533	549	627
Fresh Water Withdrawal (1000 cubic meters)	677,000	618,000	680,000	-	-	-	677,000	618,000	680,000

KEY FOR ENVIRONMENTAL DATA TABLES

CO₂e = carbon dioxide equivalent • GHG = Greenhouse gases • “-” = Not Applicable or Data Not Collected

* = Fiscal years 2015 and 2016 items noted were updated from what was previously reported to reflect corrections and/or changes to the data or calculation methodology.

Reported data in the environmental tables are rounded to three significant digits or, for small values, presented as no less than one-tenth the indicator reporting unit. This approach enhances data usability while providing sufficient detail without becoming numerically cumbersome.

Energy and greenhouse gas (GHG) emissions data for Company Vehicles (2,260,000 gigajoules and 154,000 metric tons for fiscal year 2017) are included in Company Total.

GHG emissions increased in fiscal year 2017 due to increased production and increased USEPA eGRID emission factors in the U.S. Northwest subregion. GHG emissions are calculated using various standardized emissions calculation methodology and factors, including the World Resources Institute and World Business Council on Sustainable Development. Greenhouse Gas Protocol, USEPA GHG Reporting Program and Emission Factors, and location-based factors: USEPA eGRID, IEA Country Specific factors, and other site or case specific factors and calculations as reviewed by our third-party assurance auditors. “Market Based” values based on residual emission factors from the 2016 Reliable Disclosure Systems for Europe – Phase II for European sites, plus location-based values for all other sites.

Starting with fiscal year 2016 in reporting for Scope 2 (Indirect) GHG Emissions, both “Location Based” and “Market Based” reporting are provided per the GHG Protocol Scope 2 Guidance. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs, while a market-based method reflects emissions from electricity that sites have purposefully chosen (or their lack of choice). Please see GHG Protocol Scope 2 Guidance for additional details.

Waste Shipped Off-Site: The increase from fiscal year 2016 was mainly driven by increased production and construction related disposal. Non-Hazardous Waste Energy Recovery was revised to include Biomass Fuels Shipped Off-Site for Energy Generation. Landfill Diversion Rate represents the percentage of total waste not using landfill as disposal method. On-site treatment, storage, and recycling of waste not included in totals. Hazardous waste was not exported or imported by Monsanto across country borders.

BETTER LIVES



- ▶ *Better Lives: Management Approach*31
- ▶ *Promoting Food and Nutrition Security*32
- ▶ *Community Engagement: STEM*37
- ▶ *Community Engagement: Investments and Volunteerism*38
- ▶ *Community Engagement: Health and Safety*39

BETTER LIVES

MANAGEMENT APPROACH



In delivering on our commitment to promote Better Lives, we leverage our strengths as a modern agriculture company to focus on areas we can impact most: food and nutrition security, smallholder farmers, communities, and science, technology, engineering and math (STEM) education. Our success is measured against quantitative goals (see [Page 10](#)) and by the quality of life we help bring to people through our many collaborations and efforts.

MATERIAL TOPICS COVERED

GLOBAL HUNGER & NUTRITION SECURITY

SMALLHOLDER FARMERS

POSITIVE RELATIONSHIPS WITH LOCAL COMMUNITIES & SOCIETY

MODERN, INNOVATIVE AGRICULTURAL TECHNOLOGIES & PRODUCTS

Monsanto supports the full realization of the human right to food as set forth in [Article 25 of the UN Universal Declaration of Human Rights](#) and other conventions. In 2017, we unified our approach to Food and Nutrition Security in a framework aligned with [SDG 2, Zero Hunger](#) (see [Page 32](#)). Our cross-functional team of scientists, agronomists, nutritionists, registered dietitians and others are collaborating globally to address critical challenges:

- [More than 800 million people are undernourished](#), according to the United Nations
- Millions suffer from food insecurity, poor nutrition and obesity
- One-third of all food produced is lost or wasted
- The world will need to produce 50 to 100 percent more food by 2050 on the same amount of land as today*
- Smallholder farmers work 90 percent of the world's farms, but many struggle to earn a living or even feed their own families

▲ FOOD AND NUTRITION SECURITY ▲

▼ COMMUNITIES

With hundreds of facilities around the world, being a responsible neighbor has always been a priority. We have implemented Community Advisory Panels (CAPs) and/or formal site community engagement plans at most of our breeding and production sites, with a goal of 100 percent by 2018.

Through in-person and online forums we engage in a myriad of community health, safety and wellness initiatives that benefit millions of people each year.

We support STEM education through financial contributions and professional expertise to address the increasing role technology plays in our lives and to prepare the next generation of farmers.

MONSANTO FUND ▼

Monsanto Fund, the philanthropic arm of our company, focuses on strengthening both farming/rural communities and the communities where our employees live and work. It does this through investments with qualifying partners to address food and nutrition security, education with a focus on STEM, and community development to address critical needs around sanitation, access to clean water and public safety.

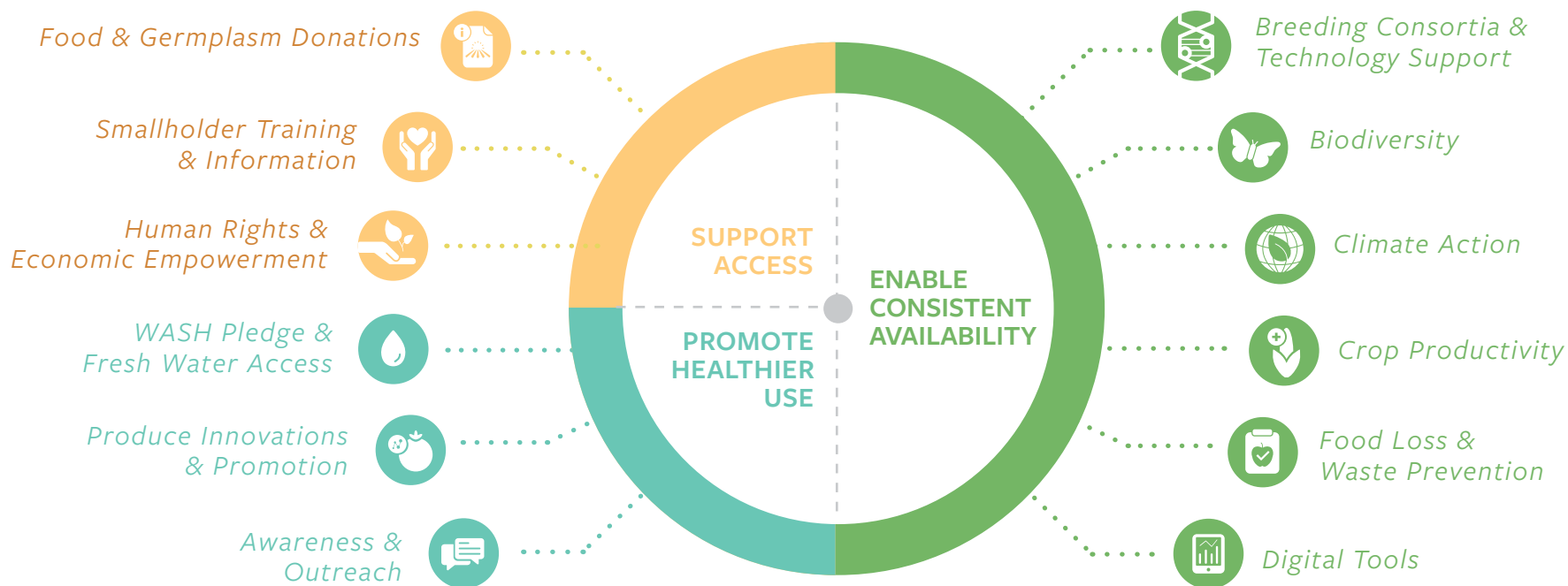
The [Monsanto Fund Non-Discrimination Policy](#) outlines expectations for beneficiary organizations.

* THE STATE OF FOOD SECURITY AND NUTRITION IN THE WORLD 2017, Food and Agriculture Organization of the UN.

MONSANTO HAS LONG TAKEN a multi-pronged approach to improving food and nutrition security. In 2017, we took stock of all our efforts and developed a unified framework to better leverage and communicate the many inter-related components.

A P P R O A C H	S T R A T E G Y
<p>We advocate to end hunger and improve global food and nutrition security through innovations and collaborations that advance modern agriculture and create awareness and understanding, while benefiting farmers, our business and society.</p>	<ul style="list-style-type: none"> • Enable Consistent Availability of food through collaborations and new tools that help farmers get better harvests while using less of the Earth's natural resources per unit of production. • Support Access to a nutritious diet through community programs, economic empowerment, knowledge sharing and direct donations. • Promote Healthier Use of food and water through product development, education, improved sanitation and freshwater access.

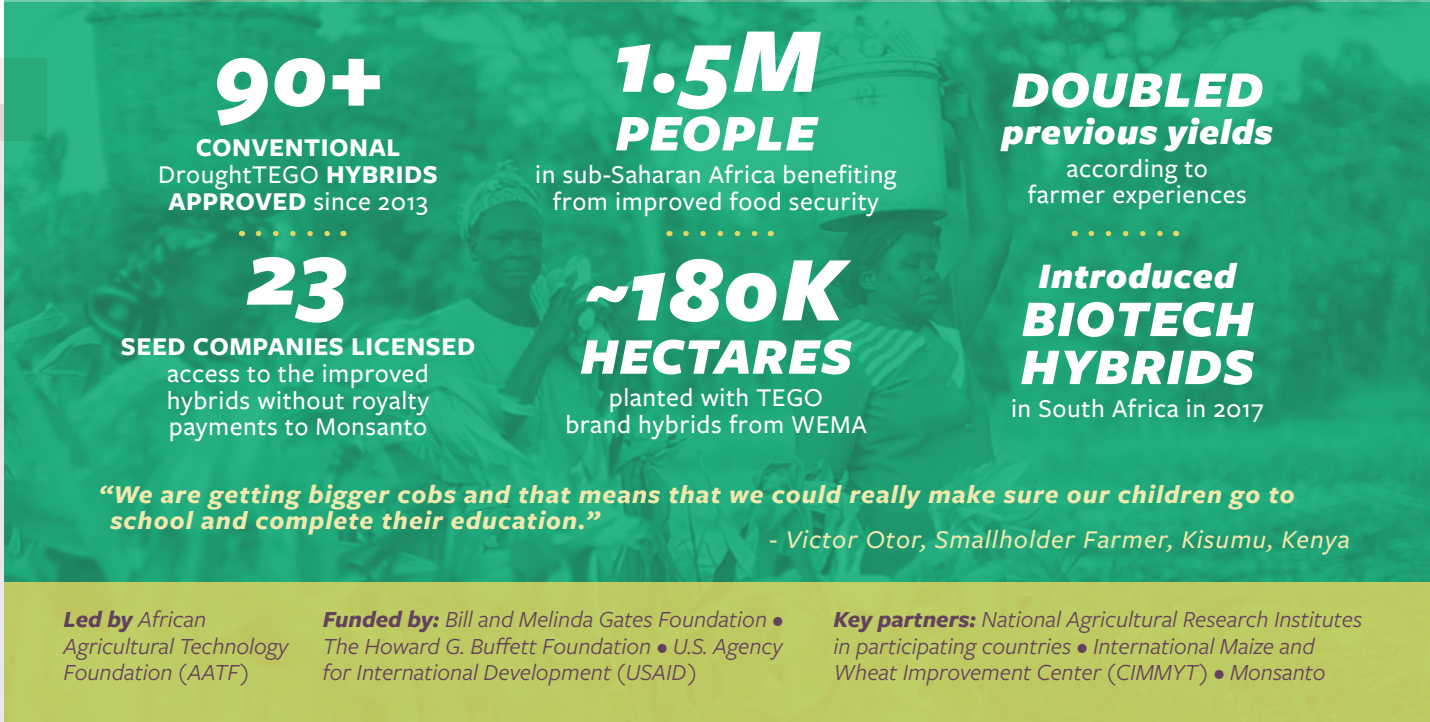
F R A M E W O R K



MONSANTO CONTINUES TO WORK toward eliminating hunger in sub-Saharan Africa through a host of multi-stakeholder collaborations.

Expanding Water Efficient Maize for Africa (WEMA)

In sub-Saharan Africa, maize (corn) is a main source of food for more than 300 million people. The production of corn in this area has long been a challenge due to drought, ineffective seed varieties and pestilence. The WEMA project, a multi-stakeholder partnership, strives to improve food security and livelihoods among smallholder farmers in the region by developing maize seed that uses water more efficiently and resists insect pests.



90+
CONVENTIONAL DROUGHT TEGO HYBRIDS APPROVED since 2013

1.5M PEOPLE
in sub-Saharan Africa benefiting from improved food security

DOUBLED previous yields
according to farmer experiences

23
SEED COMPANIES LICENSED access to the improved hybrids without royalty payments to Monsanto

~180K HECTARES
planted with TEGO brand hybrids from WEMA

Introduced BIOTECH HYBRIDS
in South Africa in 2017

“We are getting bigger cobs and that means that we could really make sure our children go to school and complete their education.”
- Victor Otor, Smallholder Farmer, Kisumu, Kenya

Led by African Agricultural Technology Foundation (AATF) **Funded by: Bill and Melinda Gates Foundation • The Howard G. Buffett Foundation • U.S. Agency for International Development (USAID)** **Key partners: National Agricultural Research Institutes in participating countries • International Maize and Wheat Improvement Center (CIMMYT) • Monsanto**

INSECT-RESISTANT COWPEA

Cowpea is a high-protein legume that grows well in Africa’s dry conditions, but is highly prone to disease and pests, such as the Maruca pod borer, which can reduce harvests as much as 80 percent. Monsanto is collaborating by donating technology to AATF to develop cowpea varieties able to resist these pests.

200M people consume the legume



Expanded field trials in 2017 to four additional countries: Burkina Faso, Ghana, Malawi and Nigeria

▶ Leveraged **biotechnology** to protect against pests

VIRUS-RESISTANT CASSAVA FOR AFRICA (VIRCA)

This nutrient-rich root vegetable grows well in East Africa’s dry soil, but is highly susceptible to viral diseases. The VIRCA project, led by the Danforth Plant Science Center, is using biotechnology to improve cassava’s resistance, supported by Monsanto with funding and technical advice.

130M people rely on cassava



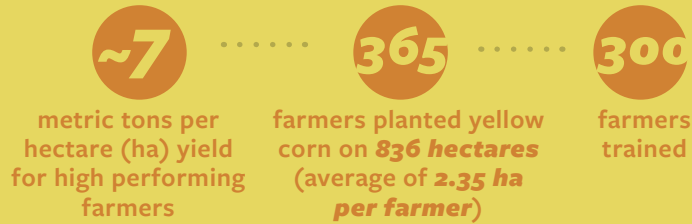
2018 application to be submitted for regulatory approval following successful field trials, which are currently underway

MONSANTO ENGAGES IN INITIATIVES aimed at improving food security and farmer livelihoods in several Asian countries, including the Philippines and India.

PHILIPPINES ▼



As part of our World Economic Forum Grow Asia commitment, Monsanto is a member of the **Philippines Partnership for Sustainable Agriculture (PPSA)** working group to support Zamboanga Peninsula. The group provides technical assessment support, education on best practices and supplies hybrid corn seed best suited to the area. Monsanto provided technical support and DEKALB® seed for adaptability testing.



▼ **INDIA**



Through **Project SHARE 2** (Sustainable Harvests – Agriculture, Resources and Environment) and in partnership with the **Indian Society for Agribusiness Professionals (ISAP)**, we focus on training smallholder farmers on sustainable agriculture and water management and integrated farming systems.



FARMRISE™ MOBILE FARM CARE

Smallholder farmers are often challenged with rural isolation and limited agronomic resources. FarmRise Mobile Farm Care is a platform from The Climate Corporation that delivers **free information and advice to smallholder farmers** to help them achieve better harvests.

90%
of farmers globally are smallholders

70%
have access to cell phones

Training Smallholder Farmers

Another way we strive to make **a real difference in the lives of farming communities** is by offering training to smallholder farmers, both through sustainability partnerships and as part of our standard business practices.

2.5M+ smallholder farmers trained globally in 2017

4M projected annual training for smallholder farmers by 2020

MONSANTO FUND helps fight malnutrition, focusing on the needs of women and children 5 years and under.

3 Key Monsanto Fund Partnerships



1

INMED

▶ **FOCUS:**

Improve nutrition for mothers and children ages 0 to 5 years in Petrolina, Brazil

▶ **\$3 MILLION**

committed over three years in partnership with this international humanitarian organization

▶ **126+**

vegetable gardens to be established at preschools to provide nutrition education and resources to approximately

33,000 children,
23,000 mothers,
and more than
2,000 school personnel

2

Seedbed for the Future

- ▶ **\$100,000** donated to Argentine Food Bank Network
- ▶ **9** projects supported, including the Nutrition at Suncho Corral program in Santiago del Estero, enabling local civil groups to support more children in need

3

Human Development International

- ▶ **ENABLED 5,000** smallholder farmers in Eastern Kenya to improve yields, yet conserve natural resources

Farm-to-YOUth!

Funded by a donation from Monsanto Company, the University of Mississippi conducted this pilot project that provided 1,200 families with nutrition education and access to fresh produce. Researchers studied the effort to identify best practices to scale in other areas.



MONSANTO IS IDENTIFYING INNOVATIVE SOLUTIONS and working with others to reduce and hopefully, one day, eliminate unnecessary food loss and waste.

INNOVATIVE VEGETABLE SOLUTIONS

NEARLY
40%
of
TOMATOES



IN INDIA
ARE LOST

after harvest due to infrastructure storage challenges.

After evaluating 500+ tomato genotypes for transportability traits, Monsanto researchers discovered two tomato hybrids with the shelf life and firmness needed to make the journey to market in India, a country where nearly half of the children are malnourished.

90%
INCREASE



IN THE USE OF
NUTRITIONAL
FOOD

in Suncho Corral, Santiago del Estero.

Monsanto Fund provided financial support to Seedbed for the Future to foster the preparation of jams and preserves in Northern Argentina to better use nutritious fruits and vegetables that might otherwise be wasted.

14%
SWEETER



THAN THE
TYPICAL WINTER
CANTALOUPE

Our Melorange® melon is 14 percent sweeter with a better flavor profile and aroma than the typical winter cantaloupe.

People tend to waste less fruits and vegetables when they're more appealing to eat. Monsanto offers a portfolio of seed products that yield nutritious foods with enhanced consumer appeal, which can help encourage people to consume more of the healthy foods they buy.

L.E.A.D.

Through our **Leaders Engaged in Advancing Dialogue** (L.E.A.D.) initiative, we're learning from and sharing information with dietitians, nutritionists and others involved in conversations about the intersection of food, nutrition and agriculture.

Countries where we've engaged in L.E.A.D. activities: UNITED STATES • INDONESIA • PHILIPPINES • SPAIN • VIETNAM

SCIENCE, TECHNOLOGY, ENGINEERING AND MATH

As technology continues to play an increasing role in our daily lives, we need to equip more individuals with science and engineering skills. Monsanto provides funding and on-the-ground support to develop the next generation of STEM leaders.

2K

REACHED through our **Muscatine, Iowa, facility**

- Hosted **Muscatine-area teachers** to learn more about the science of food
- Hosted **400 fifth graders** at STEM event
- Worked with **Muscatine school system** and businesses on *STEM BEST* grants competition from Iowa Governor's STEM Advisory Council

38K+

REACHED through **STEM initiatives in Brazil**

- **Nau Dos Mestres** – A mobile lab traveled to 50 schools in 11 cities, teaching children chemistry, physics and biology through experiments.
- **Diverte Teatro Viajante** – Through a theater-style presentation, children in 14 cities learned about sustainability and the environment.
- **Bau das Artes** – We helped teachers in 50 public schools carry out projects on ethics, cultural plurality, environment, health, sexuality, work and consumption.

7K+

young people



helped annually through the Ag Innovators *partnership* between **Monsanto, the National 4-H Council and Land Grant Universities**, which offers professional, leadership and STEM training to support the future of the ag industry and feed a growing world population. Since 2014, more than **25K students** have been reached.



18K students

from **75 countries, regions and territories** showcased independent research and competed for prize money in the *Intel International Science and Engineering Fair*. Monsanto scientists selected the top three winners in **plant science and sustainability research**.

PIZZA-SHAPED GARDEN

Hundreds of elementary school students learned more about sustainability and where their food comes from by **planting seeds for pizza ingredients in a pizza-shaped garden** at our Saskatoon, Canada, facility, then harvesting the fruits of their labor.



AMERICA'S FARMERS community outreach programs are sponsored by Monsanto Fund to make a positive impact in rural America. Similar outreach programs exist in Australia and Canada.

AWARDED SINCE 2010

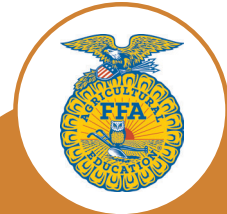
AWARDED IN 2017

\$42 Million

\$2.3M to 161 rural public school districts

Using a 3-D printer funded through **America's Farmers Grow Rural Education**, middle school students from Rochelle, Illinois, created a prosthetic arm for local farmer Jake Hubbard. Hubbard lost his left arm in a farming accident in 2013.

America's Farmers Grow Communities donated **\$3.2M** to nonprofits in more than **1,300 counties** across **41 states**



\$525K+

in scholarships to **353 students** awarded by **America's Farmers Grow Ag Leaders** in partnership with the National FFA Organization



DISASTER RELIEF

In response to the devastation caused by **Hurricane Harvey**, we pledged **\$500,000** in August 2017 to the **American Red Cross** and **Feeding America** to assist with relief efforts in Texas and neighboring states. This is just one way Monsanto responds to community needs in the face of natural disasters.

VOLUNTEERISM

The Monsanto Together Volunteer Program encourages employees around the world to volunteer with nonprofits focused on social causes such as food and nutrition, STEM education and veteran concerns by offering service grants based on hours of service to benefit the organizations they support. As part of this program, we have initiated **Monsanto Gives Back**, an annual week of volunteering in communities around the world.

490K volunteer hours

>\$2.5M in service grants

90K employee volunteer hours across many countries

>\$600K in service grants

SINCE 2010






IN 2016

(most recent available data, based on calendar year)



FACILITIES DONATION: In 2017 we donated a **\$10 million biotechnology research center** to the University of Wisconsin-Madison's College of Agricultural and Life Sciences to serve as a hub for the new Wisconsin Crop Innovation Center. We also donated buildings and 120 acres of property worth an estimated **\$1 million** to the Puerto Rico Technoeconomic Corridor, Inc., to create a business incubator for young farmers and agricultural science students.

OUR SITES IMPLEMENT vital programs to address pressing issues impacting health and safety in the communities where we do business.

 <p>INDIA</p> <p>Sanitary Napkins</p> <p>In a country where 70% of all reproductive diseases are caused by poor menstrual hygiene, Monsanto took action to make sanitary products more accessible by organizing sanitary napkin vending machines in government schools in rural villages and educating hundreds of students</p>	 <p>AFRICA</p> <p>Community Engagement</p> <p>110 projects touching over 25,000 people on topics such as hygiene, agriculture and environmental sustainability</p>	 <p>PERU</p> <p>Community Health & Safety</p> <p>1,500 children and parents participated in an interactive activity on fireworks and electrical safety</p> <p>350 people attended discussions on preventing Dengue and Zika</p> <p>358 elementary children learned about electrical risks at home and school</p>	 <p>NETHERLANDS</p> <p>Nutrition Awareness</p> <p>Participated in <i>Kom in de Kas</i>, a national event opening greenhouses to the public</p> <p>Passed out cucumber plants and orange pepper ice cream to over 5,000 individuals</p>	 <p>U.S.A.</p> <p>Farm Safety</p> <p>Visited schools and day care centers in rural communities to host a puppet show focused on farm safety</p> <p>Engaged more than 1,000 students and teachers on farm equipment awareness, the dangers of swimming in ponds alone and other topics regarding safety and rural living</p>
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ENGAGING WITH OUR NEIGHBORS

Monsanto works to build meaningful relationships with the communities surrounding our facilities through Community Advisory Panels (CAPs) and formal site community engagement plans. We have CAPs at all of our manufacturing sites, comprising local residents and community leaders who meet regularly with representatives from our facility management.

86% of our plant breeding and production sites have formal community engagement plans including

100% of manufacturing sites.

By 2018, our goal is for all these sites to have formal community engagement plans



The Monsanto Emergency Response Team housed in our Luling, Louisiana, facility assisted local and state emergency response agencies to **extinguish a gasoline tanker truck fire** that had shut down a major highway near the Luling community

BETTER PARTNER



- ▶ *Better Partner: Management Approach* 41
- ▶ *Workplace* 42
- ▶ *Respecting Human Rights* 48
- ▶ *Working With Our Suppliers* 50
- ▶ *Critical Issues* 52
- ▶ *Corporate Governance Framework* 56
- ▶ *Driving Ethical Business Conduct* 57
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- ▶ *Reporting Our Progress* 59
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BETTER PARTNER

MANAGEMENT APPROACH



At Monsanto, we view being a Better Partner through multiple lenses: advocating for human rights, partnering with employees and suppliers, and being proactive in managing critical issues and ensuring sound corporate governance.

MATERIAL TOPICS COVERED

- TALENT MANAGEMENT, DIVERSITY & BENEFITS • OCCUPATIONAL HEALTH, SAFETY & WELLNESS • HUMAN RIGHTS
- PRODUCT SAFETY & STEWARDSHIP • BUSINESS PRACTICES & COMPETITION • BUSINESS ETHICS & TRANSPARENCY
- POLITICAL SPENDING • FOOD LABELING • DATA SECURITY, MANAGEMENT & ACCESS • REGULATORY APPROVAL SYSTEMS

Our Management Advisory Committee (MAC) Inclusion & Diversity Council (MIDC) consists of 22 global leaders that oversee our inclusion efforts. Our leaders are trained to be inclusive and their performance is tracked globally. Our employees lead nine Business Resource Networks. We have issued formal policies on anti-harassment and Equal Employment Opportunity.

INCLUSION AND DIVERSITY

All of our sites are governed under our environment, safety and health (ESH) policies. Approximately 95 percent of our employees are represented on ESH committees. Our ESH Management System aligns with international management system standards. We prioritize injury severity reduction and have a formal Contractor Guest Program.

EMPLOYEE HEALTH, SAFETY AND WELLNESS

Our Human Rights Policy is informed by the UN Universal Declaration of Human Rights and the ILO Fundamental Principles and Rights at Work. Our Human Rights Champions heighten awareness of human rights issues and swiftly resolve concerns in their respective regions. We've set goals to improve sanitation at company-operated sites, eradicate child labor and advance our Supplier Code of Conduct.

HUMAN RIGHTS

Our Board of Directors' Charter and Corporate Governance Guidelines define parameters for board responsibilities and competencies, performance evaluation, structure and other aspects of governance. Our Code of Business Conduct sets forth expectations for our leaders, employees and business partners. Our Business Conduct Office implements ethics and compliance initiatives and directives and provides for the communication of concerns and grievances. The Monsanto Good Government Fund and the Monsanto Citizenship Fund govern distribution of corporate and voluntary employee political contributions, respectively. We have a global team that proactively addresses emerging and critical issues (see Pages 52-55).

ETHICS, GOVERNANCE AND ISSUES

TALENT

Our Development, Performance and Rewards (DPR) approach integrates job performance and development with financial rewards. Our employees regularly receive training and performance reviews.

MONSANTO'S DEVELOPMENT, PERFORMANCE AND REWARDS (DPR) process helps employees deliver exceptional business results through continuous personal growth and development, greater clarity of goals and expectations and competitive rewards. DPR was created as a business process. It helps Monsanto execute its business strategy by helping employees reach high levels of performance and accountability for their work.

DPR DEVELOPMENT, PERFORMANCE, REWARDS

70% On-the-Job Development

20% Coaching/Mentoring

10% Formal Training

DPR KEY GOALS

- ▶ Deliver outstanding business results
- ▶ Ensure alignment of individual, team and enterprise-wide objectives
- ▶ Create a culture of continuous development and increasing contribution
- ▶ Firmly establish the link between development, performance and rewards
- ▶ Provide outstanding rewards for outstanding performance



OUR EMPLOYEES ARE HIGHLY ENGAGED

There is significant change happening in our industry and company but our employees continue to be highly engaged. Our leaders have focused on delivering business results and providing strong development opportunities for employees. We have also been delivering transparent communications to keep employees up to date on the pending acquisition by Bayer.

Our leaders have played a critical role in helping employees feel valued. **Our recent employee survey showed increases in the confidence employees have in our senior leadership team** and belief in our company.

Employees feel favorable about the transformation the company is going through. We are cultivating trust among employees and customers. This will continue to be a key focus area as we maintain engagement and retain our key talent.

EMPLOYEE TRAINING

Leadership Exchanges—Nine-month programs that empower selected employees to accelerate their professional development and help the company identify and nurture strong leadership candidates at the global, regional and local levels.

People Leader Learning Series—Classroom training program that focuses on enabling and further developing leadership skills critical for managers.

Monsanto Apprenticeship Program—A 55-week paid program designed to support skilled labor opportunities for diverse individuals in the region around our Soda Springs, Idaho, location.

English for Leaders Program—Provides employees that are not native English-speakers the opportunity to improve their English skills.

Skillsoft—An online content portal that hosts a variety of courses, e-books, videos and more for employees to develop professionally.

Tuition Assistance—Tuition reimbursement for eligible employees as established in their region. In the United States, Monsanto reimbursed over \$1 million to employees in 2017.

TRAINING HOURS AND PERFORMANCE REVIEWS

		Non-managerial	Managerial
Average hours of training per year, per employee	Total	20 hrs	12 hrs
Percentage of employees receiving regular performance reviews	Female	98%	99%
	Male	99%	99%
	Total	99%	99%
Percentage of eligible employees receiving career development reviews	Female	98%	99%
	Male	99%	99%
	Total	99%	99%

MONSANTO PROVIDES EMPLOYEES WITH A COMPREHENSIVE TOTAL REWARDS PACKAGE including compensation, retirement benefits, healthcare benefits and much more. Compensation plans are aligned with local markets and are competitive and equitable and in accordance with local laws. They include a short-term incentive plan for direct regular employees; in addition, direct management employees receive annual long-term incentive grants.

EMPLOYEE BENEFITS BY AREAS OF SIGNIFICANT OPERATION (LOCATIONS WITH 300+ EMPLOYEES)

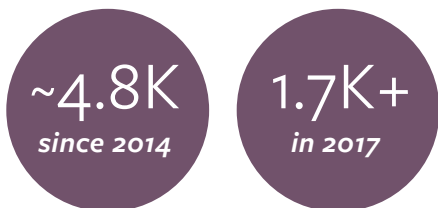
Location	LIFE INSURANCE		HEALTHCARE		DISABILITY		PARENTAL LEAVE		RETIREMENT		OUTPLACEMENT	
	R*	T**	R*	T**	R*	T**	R*	T**	R*	T**	R*	T**
St. Louis, USA	•		•	•	•		•		•	•	•	
Sao Paulo, Brazil	•	•	•	•	•	•	•	•	•	•	•	
Antwerp, Belgium	•	•	•	•	•	•	•	•	•	•	•	
Luling, USA	•		•	•	•		•		•	•	•	
Muscatine, USA	•		•	•	•		•		•	•	•	
Maipu, Argentina	•		•	•	•		•	•	•		•	
Soda Springs, USA	•		•	•	•		•		•	•	•	
Bergschenhoek, Neth.	•	•	•	•	•	•	•	•	•	•	•	
Ahura Ctr, India	•		•		•		•		•		•	

R* = Regular Employee—An individual hired and employed by Monsanto who is actively working full or part-time with no expected end date.

T** = Monsanto Temporary Employee—An individual hired for certain periods of time during the year(s) (full or part-time) and is a direct Monsanto employee.

At Monsanto, we recognize the value that a wide array of perspectives brings to our business, and we foster activities that respect and nurture many points of view.

Company Leaders trained in Unconscious Bias



NEW in 2017

Breaking Bias Workshop

This data-driven training builds on the awareness fostered by the Unconscious Bias workshop to build competence and equip leaders with the tools needed to nudge behavior and **counter unconscious biased tendencies.**

Navigating Cultures



For more than 10 years, we have worked to build the intercultural competence of our leaders.

- ▶ Partnered with Language & Culture Worldwide, LLC, to customize our formal leadership training programs
- ▶ Helped participants define culture, understand the difference between stereotypes and archetypes, and learn how to effectively interpret and engage across differences
- ▶ Distributed a condensed version of the program to reach more teams

Business Resource Networks (BRNs)

Our nine employee-led resource groups enhance and diversify Monsanto through initiatives such as professional growth and connecting with customers and communities. In 2017, our BRNs included groups covering:

- ▶ People with disabilities
- ▶ Veterans
- ▶ Racial and ethnic diversity (3)
- ▶ Women
- ▶ Young professionals
- ▶ Families
- ▶ LGBTQ community



Women's Leadership Series

Our Women in Science Exchange (WiSE) network created a Women's Leadership Series, delivered by faculty at Washington University in St. Louis, to provide leadership training and help women advance their careers.

4
Months

4
Training Modules

50+
Women Participated

Inclusion Index

Our Inclusion Index incorporates the feedback leaders around the globe receive from their direct reports to track both how inclusive they are and how included our various employee groups feel.

3 Key Traits of our best leaders

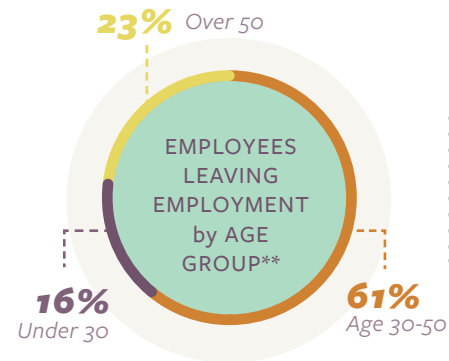
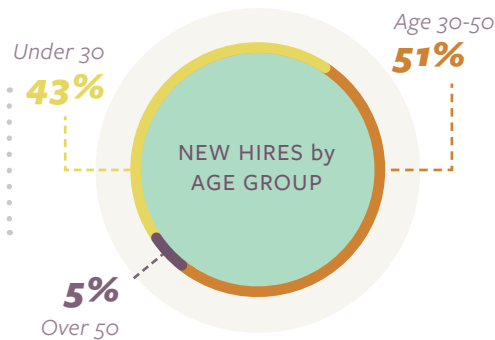
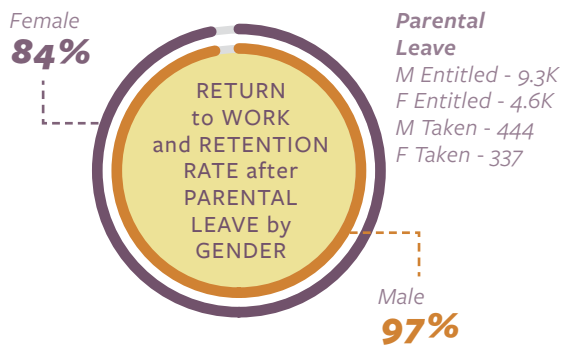
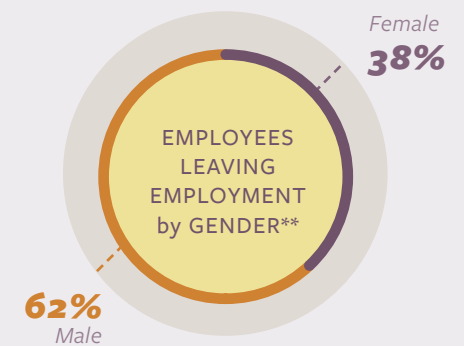
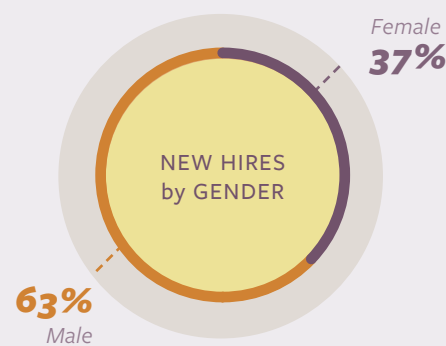
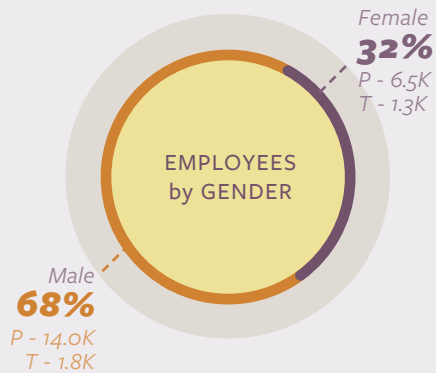
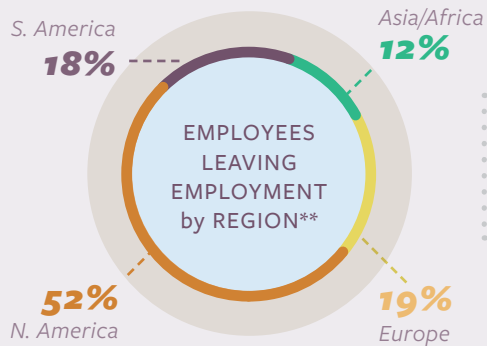
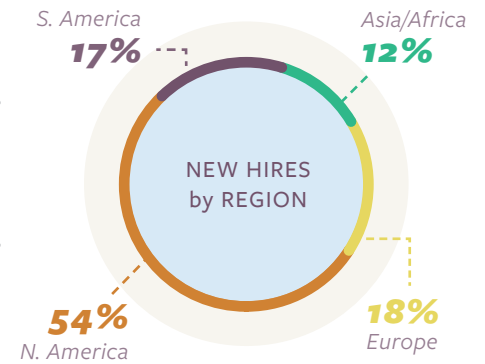
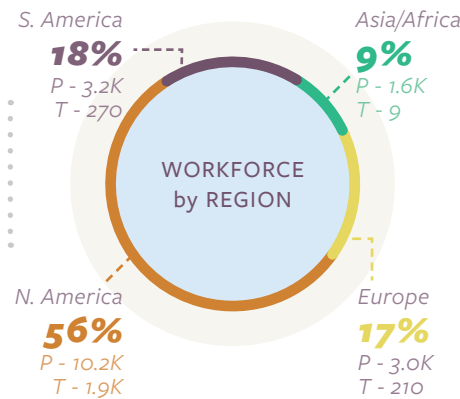
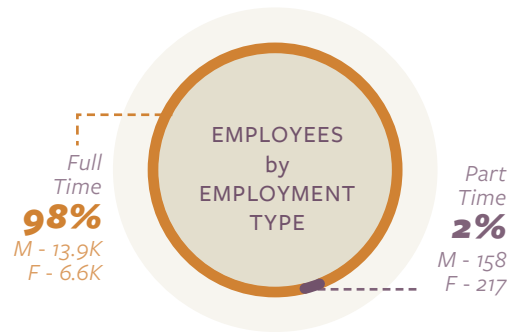
1. Develop People
2. Demonstrate Leadership Competence
3. **ACT INCLUSIVELY**

7 Measures of inclusion

1. Interacts genuinely and authentically
2. Behaves ethically and honestly
3. Treats people with respect
4. Values and leverages diverse viewpoints
5. Avoids speaking or acting with arrogance
6. Shows sincere interest in employees
7. Conveys confidence in others' abilities



Our first **Inclusion and Diversity Week** throughout different sites in South America was hugely successful in fostering dialogue about inclusion and diversity among members of I&D networks, company leaders and external speakers.



* United States only. Excludes Caucasian males and Caucasian females.

** Percentage of total employees leaving

FOSTERING EMPLOYEE SAFETY AND HEALTH

The health and safety of our employees are of the highest priority. To this end, we've invested in a number of world-class health, safety and wellness initiatives.

Reducing Injury Severity



A common measure of occupational health and safety is the **Total Recordable Rate (TRR)**. But TRR is not an indication of severity.

Since 2011, we have assessed the severity of all work-related injuries and illnesses. Through a comprehensive risk evaluation process and predictive safety data analysis, we identified activities that are more likely to lead to more severe injuries and illnesses.

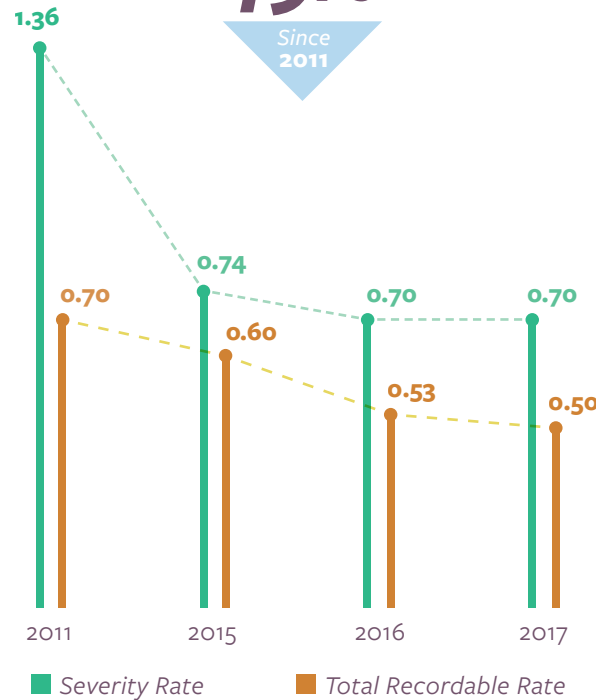
Now, we emphasize efforts aimed at eliminating or correcting those activities, or we introduce new approaches to prevent injuries or illnesses.

As a result, we've seen significant declines in both injury and illness frequency and severity.

SEVERE INJURY RATE DOWN

49%

Since 2011



Well-Being in the Workplace



1K Employees in Europe are participating in a step-tracking program to encourage better health.

3K Employees received first aid response training, strengthening the ability of our sites and surrounding communities to respond to emergencies. Each one of our sites have first aid responders and an automated external defibrillator that can be shared with the community.

110 Employees, spouses and children in India participated in Family Safety Day to learn about home and vehicle safety, physical, mental and emotional well-being, and the environmental impact of daily activities like using water and electricity.

70% of sites have eliminated the use of organophosphates or carbamate (OP/CM) insecticides or otherwise changed work procedures to limit exposure. As a result, employees and seasonal workers from 58 sites no longer require associated medical screenings. We continue to strive to eliminate use of OP/CM except where their use in seed treatment is driven by market demand.



Stretching Exercises



Fresh Fruit Delivery



Yoga



Resilience and Energy Management Seminars

OTHER WELL-BEING ACTIVITIES

Many other well-being activities are locally or regionally organized, reaching the majority of our employees



MONSANTO STAR SITES

To achieve Monsanto Star status, a site must receive third-party certification of its safety and health management system, demonstrate industry-leading safety and health performance, and strive to continuously improve.

PROTECTING OUR GUESTS

Our Contractor Guest Program is a formal system that identifies work risks, provides risk-based targeted safety guidelines, ensures proper safety oversight and safety auditing, and most importantly, protects the personal safety of our independent contractors. It applies to all of our contractors who work in our facilities, production fields and sites around the globe.

HEALTH & SAFETY DATA

	ALL EMPLOYEES (INCLUDING SUPERVISED CONTRACTORS*)		WORKERS (EXCLUDING EMPLOYEES & SUPERVISED CONTRACTORS*)	
	Injury and OCC Diseases; Total Recordable Rate (TRR)	Days Away; Lost Days Rate (LDR)	Injury and OCC Diseases; Total Recordable Rate (TRR)	Days Away; Lost Days Rate (LDR)
REGION				
Asia Pacific	0.07	3.26	0.14	0.00
EMEA†	0.52	6.04	1.20	16.49
Latin America North	0.30	4.68	0.09	0.18
Latin America South	0.21	2.07	0.48	5.34
North America	0.92	9.69	0.38	0.23
GENDER**				
Female	0.41	3.64	0.32	7.74
Male	0.58	7.06	0.41	2.93
	Injury; Injury Rate (IR)	OCC Diseases; OCC Disease Rate (ODR)	Injury and OCC Diseases; Total Recordable Rate (TRR)	Days Away; Lost Days Rate (LDR)
TOTALS				
All Employees (including supervised contractors*) (2017)	0.51	0.03	0.52	5.93
Workers (excluding employees & supervised contractors*) (2017)	0.38	0.01	0.39	2.65
2017	0.48	0.02	0.50	5.30
2016	0.47	0.06	0.53	3.75
2015	0.54	0.06	0.60	4.31

*Contract workers supervised by Monsanto employees | **U.S. gender information for non-employees (contractors) is not reported to ensure compliance with data and labor regulations. For workers, the percentage of hours by gender was derived using the FY16 percentages. | †Europe, Middle East and Africa | For injury data, minor injuries that require only on-site first-aid treatment are not included in the reported rates. The "Lost Days Rate" is based on calendar days and begins one day after the injury or illness occurred. Injury Rate (IR), Occupational Disease Rate (ODR), Lost Days Rate (LDR) and Total Recordable Rate (TRR) are calculated using the formulas found on Page 65 and are based on U.S. Occupational Safety and Health Administration (OSHA) guidance.

In support of our commitment to human rights, we engage in activities that support and advance our **Human Rights Policy**.

WASH PLEDGE PROJECTS

Monsanto was the first agriculture company to sign the WBCSD *WASH Pledge*. We've invested significantly in clean water, sanitation and hygiene projects both at our facilities and in surrounding communities between 2014-2017, with a focus on nine countries: Argentina, Brazil, Chile, China, Guatemala, India, Malawi, Mexico and South Africa.

~200K
PEOPLE HELPED

45
VILLAGES
in India received **SAFE DRINKING WATER INFRASTRUCTURE**

\$3.5M
INVESTED BY MONSANTO

92K
CHILDREN in developing countries benefited from **clean drinking water and sanitation** projects at schools

BUSINESS PARTNER AUDITS

We strive to identify and do business with partners who share our **commitment to human rights and ethical business practices**. That's why we conduct periodic audits of our suppliers to ensure they are acting consistently with our Human Rights Policy.

- ▶ **10K+ Workers at 95 labor providers** covered under audits at our U.S. corn manufacturing and breeding sites
- ▶ **100% Contracts** with seed and labor suppliers have human rights clauses
- ▶ **49,547 Human Rights** assessments globally

In 2017, we saw a **30% decrease** in the child labor rate in India

CHILD LABOR IN INDIA presents some special challenges. Historic practices, cultural expectations, financial needs and, at times, a lack of available schools for children in rural areas contribute to the use of child labor on farms.

To meet our aspiration to **eradicate child labor**, we conduct meetings with numerous stakeholders before the start of the growing season. This early intervention helps convince many parents who previously sent their children to work to choose better alternatives.

We also monitor our business partners' fields and have historically identified any child found working, regardless of their school enrollment status. However, the amendment of the **Child Labor Act in India**, which now allows children to work in certain family enterprises, required us to change our approach. In addition to tracking children found working in the fields, we now assess whether they're working outside school hours in compliance with local law.

SUMMARY OF FINDINGS

Field Type	Total Children Found Working	% of Total Workforce	Children Found Working In Violation of India Child Labor Act	% of Total Workforce
Hybrid Cotton Seed	138	0.2%	94	0.1%
Vegetable Seed	9	0.02%	9	0.02%
Corn Seed	0	0%	0	0%

In 2017, we announced plans to **sell our branded cotton seed business in India**. Because we will no longer produce and sell our own cotton seed, we will have fewer contracted farmers. Historically, some of these farmers had children working in their fields, and we responded with an extensive monitoring and rehabilitation program. **We plan on continuing to monitor and report child labor in fields growing vegetable and corn seeds for us**. Because of the sale of the business, no supply contracts were offered for the new season, so **no business partners were discontinued for using child labor in fiscal year 2017**.

HUMAN RIGHTS TRAINING: 2017 HIGHLIGHTS

1,546
hours of human rights training recorded by Monsanto employees in 2017

385
security employees and individual security contractors trained on our Human Rights Policy

91%
of new employees completed our Human Rights Policy training

Improving Worker Housing in Argentina

~600

seasonal workers work in our corn production plant at our **San Luis Camp in Pergamino, Argentina.**

\$1M

invested to provide significant improvements in housing comfort and quality, including washing machines, a new kitchen and dining area, renovated bedrooms, and new bathrooms and locker areas.



SETTING THE STANDARD IN TURKEY

After we observed what appeared to be child labor in our business partners' fields in Turkey, we changed our business model and hired a labor agency to employ quality workers that met our age requirements and make sure they were paid correctly. Since the switch, no incidents of child labor have been recorded in Turkey and **Monsanto has become a model for eliminating child labor** among agriculture companies in the region.

"I have an animal feed mixing machine in my backyard. After I had trainings about safety, I decided to not allow my children to get close to the machine and closed accessible moving parts to avoid incident."

- Hüseyin Yıldız, Grower, Turkey



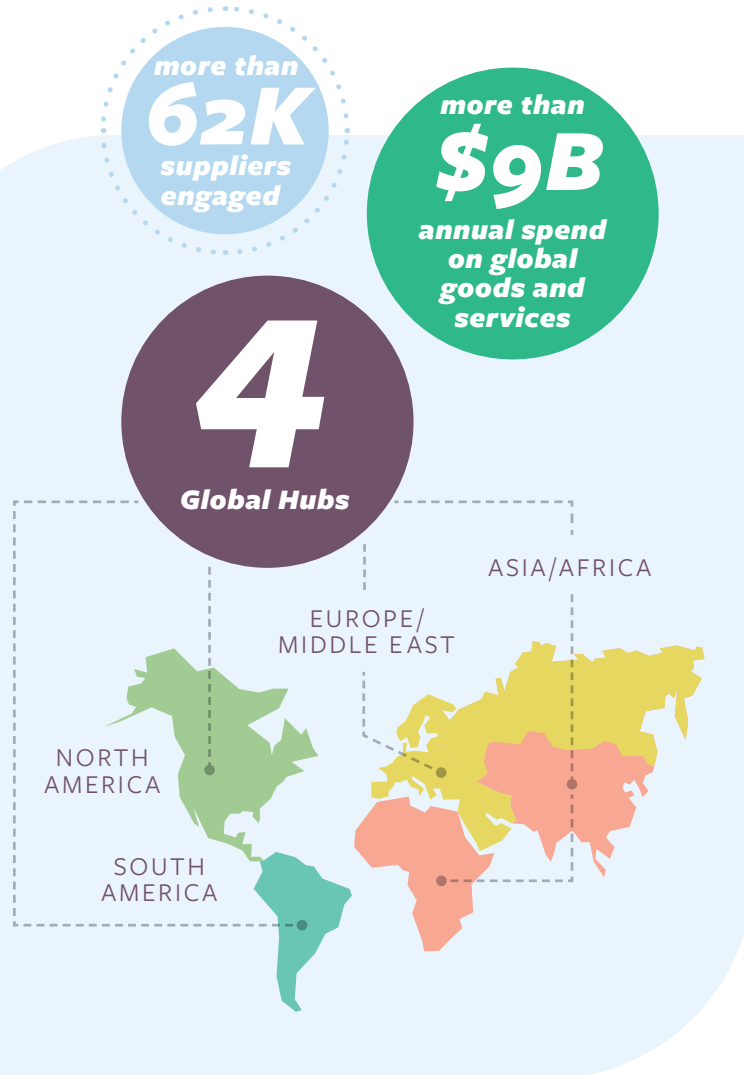
Human Rights Champions

In June 2017, we brought our global network of Human Rights Champions together in St. Louis to **collaborate, train, share challenges and best practices, and assess Monsanto's salient human rights issues.**

The conference successfully energized our Champions and provided them with new resources and support to promote human rights in their respective regions.

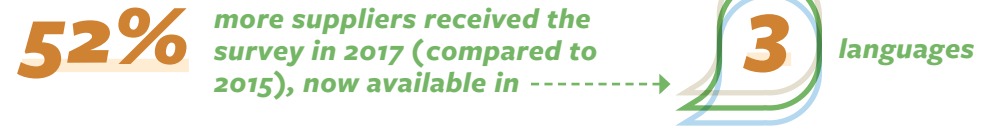
MONSANTO RELIES ON A VAST NETWORK

OF SUPPLIERS across 19 primary categories including services, equipment and raw materials, as well as our network of seed production partners. In 2017, we updated our Supplier Code of Conduct to further focus on human rights, supplier diversity and support the **UN Sustainable Development Goals**. Learn more about *global procurement* on our website.



Select Supplier Sustainability Assessment

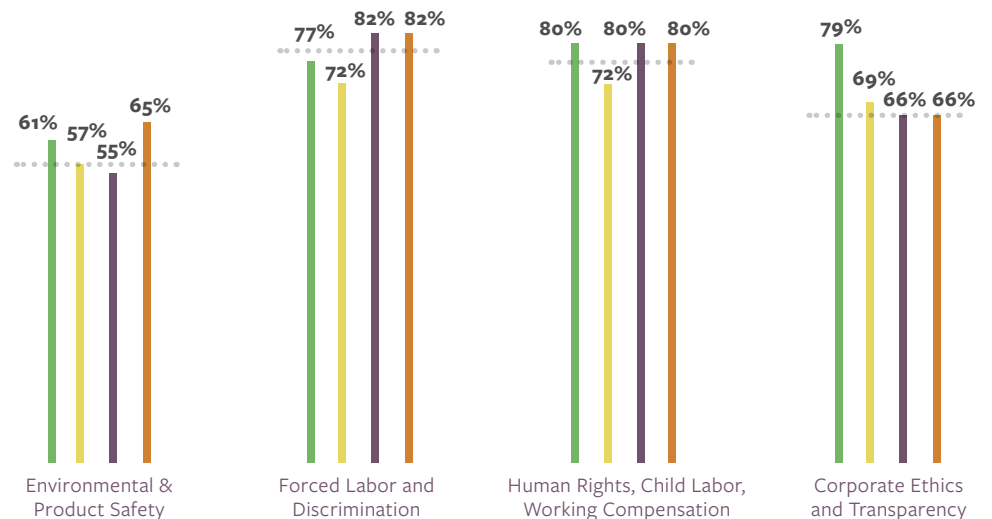
In 2017, we rolled out the **third annual Supplier Sustainability Assessment** with the following enhancements:



Updated Supplier Sustainability Scorecard

to help suppliers better understand their performance. Collectively, these suppliers represent close to **\$1.15 billion or more than 12.5 percent** of our global annual procurement addressable spend. We use these comprehensive supplier sustainability performance profiles to enhance supplier relationship management efforts, assess opportunities and develop supplier specific plans that align with our **Supplier Code of Conduct**.

AVERAGE SUPPLIER SUSTAINABILITY SCORE BY CATEGORY BY REGION



..... Global Trend ■ Asia/Africa ■ Europe/Middle East ■ North America ■ South America

See Page 74 for Independent Data Assurance Statement

SUPPORTING DIVERSE BUSINESSES

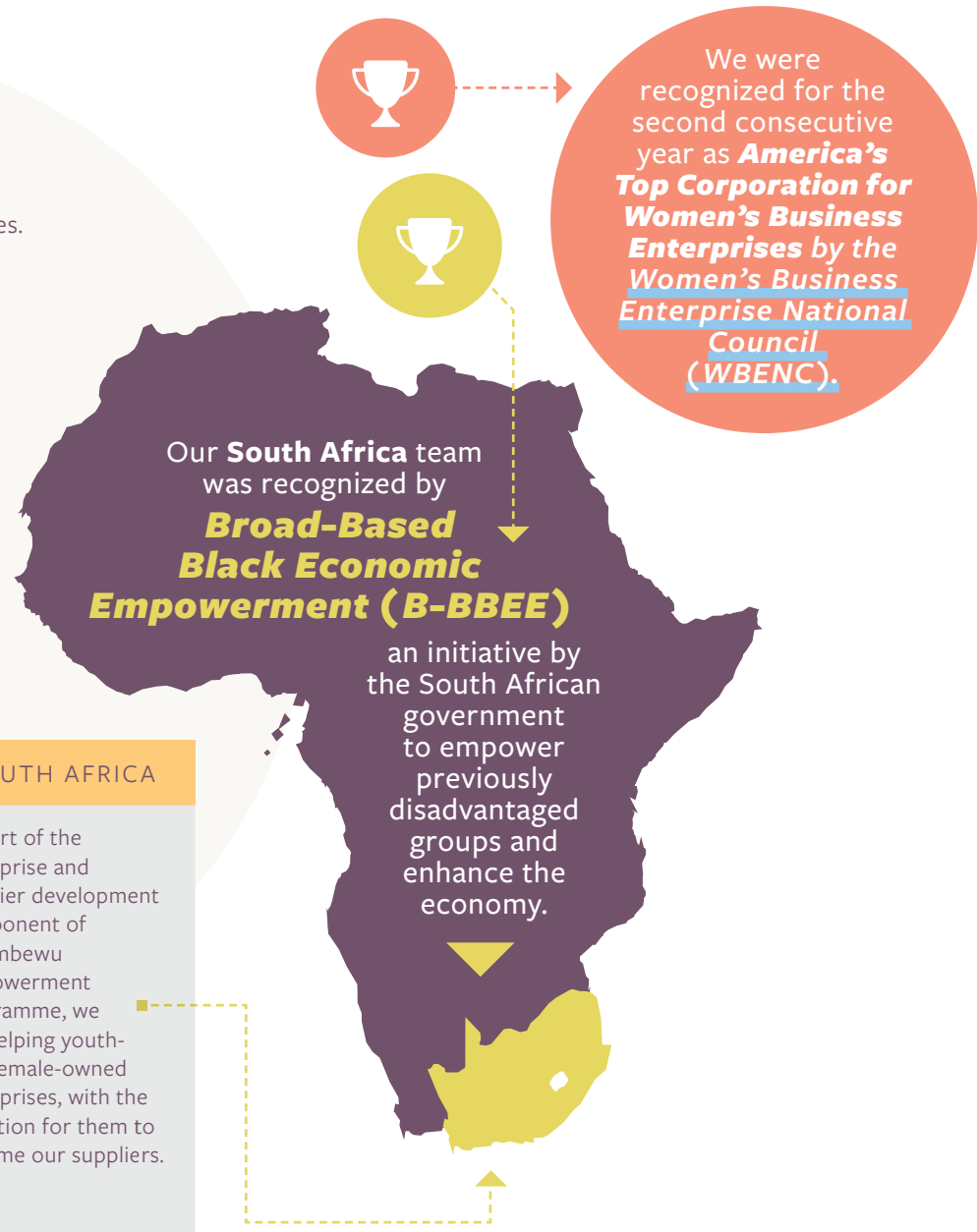
Through our supplier diversity efforts, Monsanto includes certified diverse-owned businesses in our global supply chain. These businesses include those owned by **minorities, women, people with disabilities, veterans, disabled veterans, and lesbian, gay, bisexual and transgender people.** We also strongly encourage our suppliers to engage with certified diverse-owned businesses.

*In 2017, our spend with diverse suppliers increased **50%***

MONSANTO SUPPLIER DIVERSITY MENTORING PROGRAM

The Monsanto Supplier Diversity Mentoring Program includes comprehensive training and robust resources for suppliers to strengthen their businesses. Plans are underway to expand our mentoring program to more countries in 2018.

BRAZIL	UNITED STATES	MEXICO	SOUTH AFRICA
Launched the first year of the mentoring program and worked in partnership with <i>WEConnect International</i> and <i>Integrare</i> to identify participating suppliers. The program was awarded Best Procurement Project by <i>Inbrasc</i> and was the recipient of a Monsanto Ethics Award.	Increased the number of mentees and celebrated the second graduating class of the program. <i>WBENC</i> honored our Global Procurement Lead with the Choice Award for Best Corporate Mentor.	In partnership with <i>Vital Voices</i> , our employees participated as mentors for eight months to help diverse suppliers conduct business with multi-national corporations.	As part of the enterprise and supplier development component of the Imbewu Empowerment Programme, we are helping youth- and female-owned enterprises, with the intention for them to become our suppliers.



Our South Africa team was recognized by **Broad-Based Black Economic Empowerment (B-BBEE)** an initiative by the South African government to empower previously disadvantaged groups and enhance the economy.

We were recognized for the second consecutive year as **America's Top Corporation for Women's Business Enterprises** by the **Women's Business Enterprise National Council (WBENC).**

THROUGH STAKEHOLDER ENGAGEMENTS, our *materiality process* and media monitoring, Monsanto continues to develop a better understanding of what stakeholders want to know about our company, products and business practices. **Here we answer some frequently asked questions.**

Product Stewardship

Q: HOW DO WE KNOW THAT MONSANTO'S PRODUCTS ARE SAFE?

A: Biotech and crop protection products are among the most studied in the world. This starts in our facilities and involves years of review by multiple regulatory agencies. For example, GMOs have been approved by *70 countries*. Organizations such as the *Food and Agriculture Organization of the United Nations*, American Medical Association and *World Health Organization* agree on the long-term safety of GMOs. Learn more about the safety of *GMOs* and *pesticides* and about the *regulatory steps involved*.

Q: WHAT IS MONSANTO'S STANCE ON FOOD LABELING?

A: Food reflects our history, family and culture. We were *part of a coalition of more than 1,100 organizations* that supported the *National Bioengineered Food Disclosure Law* that was passed with bipartisan support by U.S. Congress and signed by the president in 2016 to create a uniform national framework to provide transparency and information to consumers, farmers and businesses alike about GMO ingredients, sustainability, sourcing and more.

Q: WHAT PRODUCT STEWARDSHIP PRACTICES DOES MONSANTO HAVE IN PLACE?

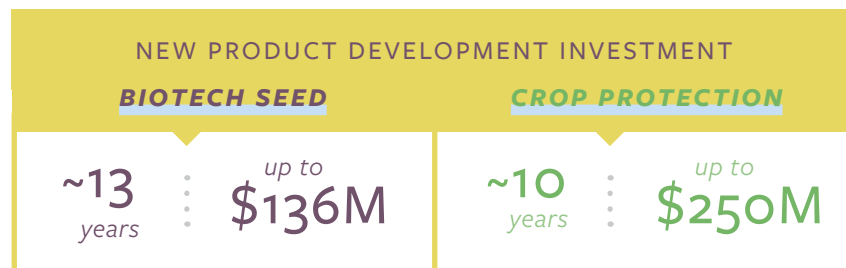
A: Our seed and crop protection products are subject to our Life Cycle Stewardship Activities Management Process to ensure their safety and integrity from discovery and development through production, marketing, distribution and discontinuation.

Monsanto's product stewardship efforts are supported by the industry-wide *Excellence Through Stewardship* initiative, which includes third-party auditing of members' biotechnology stewardship policies and practices.

Monsanto implements field trial procedures and audits that go beyond what is required to achieve the highest level of compliance and identify ongoing process improvements.

We have embraced preventive auditing and self-reporting to encourage employees and field cooperators to identify and immediately report potential concerns and incidents.

We also engage in product stewardship initiatives through industry organizations, including the *American Seed Trade Association*, *CropLife International*, *EuropaBio* and the *International Seed Federation*. Learn more about industry stewardship practices for *biotech* and *crop protection* products. Visit our website to view a *diagram summarizing the regulatory oversight* during these complex product development processes.



ARE GMOs SAFE?

YES

The National Academies of Sciences, Engineering, and Medicine 2016 Report reaffirms

Based on **20+** years of data since **GMO crops were introduced**, there is no substantiated evidence of a difference in risks to human health between current commercially available genetically engineered (GMO) crops and conventionally bred crops

900+ studies and publications were examined

20+

scientists, researchers and agriculture and industry experts over a two-year period reviewed animal studies, allergenicity testing, North American and European health data, and more



**MORE
GMO
FACTS:**

75+

different studies are conducted to demonstrate each new GMO is safe to grow and eat and is safe for the environment and beneficial insects.

90+

government bodies have reviewed and approved GMOs.

Glyphosate

Q: HOW LONG HAS GLYPHOSATE BEEN AROUND?

A: For more than 40 years, farmers – as well as governments, gardeners and other users – have depended on glyphosate as an efficient and cost-effective tool that can be used safely to control problematic weeds.

Q: HOW DOES GLYPHOSATE WORK?

A: Glyphosate specifically inhibits an enzyme that is essential to plant growth. This enzyme is not found in humans or animals. After it does its job, glyphosate breaks down in the soil into naturally occurring substances.

Q: WHAT IS SPECIAL ABOUT GLYPHOSATE?

A: Glyphosate has been a breakthrough for farming. Not only do glyphosate products work well on weeds, but they also help farmers grow crops more sustainably. For example, glyphosate has helped farmers adopt what is called “conservation tillage.” With conservation tillage, farmers can disturb less soil and drive their tractors less. Thus, farmers can reduce soil erosion and carbon emissions, which is great for the environment.

Q: IS GLYPHOSATE SAFE?

A: In evaluations spanning four decades, the overwhelming conclusion of experts worldwide has been that glyphosate can be used safely. In fact, glyphosate safety is supported by one of the most extensive worldwide human health, crop residue and environmental databases ever compiled on a pesticide product. Like all pesticides, regulatory authorities around the world routinely review the latest safety data on glyphosate.

Q: DOES GLYPHOSATE CAUSE CANCER?

A: No. No regulatory agency in the world considers glyphosate a carcinogen.

Dicamba

Q: WHAT IS DICAMBA AND WHY DO WE NEED IT?

A: Dicamba is an active ingredient in our low-volatility herbicide formulation XtendiMax® Herbicide with VaporGrip® Technology. After years of review and analysis, this product was approved by the U.S. EPA in November 2016 for over-the-top use on Roundup Ready 2 Xtend® soybeans and cotton with XtendFlex® Technology to help farmers experience more consistent, flexible control of tough-to-manage weeds.

Q: WHY WAS DICAMBA IN THE NEWS IN 2017?

A: The Roundup Ready® Xtend Crop System has been planted on more than 26 million acres of soy and cotton, and XtendiMax with VaporGrip Technology is being used on many of those acres. The vast number of growers and applicators we’re hearing from are experiencing outstanding weed control, performance and on-target applications this year. As the 2017 growing season unfolded, some customers inquired about instances of leaf cupping, which could be attributable to off-target movement of dicamba or other factors. Based on combined estimates of Monsanto, inquiries and investigations reported by state departments of agriculture, this symptomology has been reported on less than 1 percent of soybean fields across the country.

Q: WHAT CAUSED THE SYMPTOMS OF CONCERN?

A: Based on our reviews, the main causes of off-target movement of XtendiMax are things like improper buffers, tank mixes and nozzle selection or spray pressure as well as wrong boom height. Importantly, all the reported factors are addressable through training and following the label instructions.

DICAMBA FAST FACTS

1967 Year registered by the U.S. EPA

History of 50 YEARS of SAFE USE
by farmers and homeowners when applied according to label directions

Q: WHAT IS MONSANTO DOING TO HELP?

A: On Oct. 13, 2017, the EPA announced enhancements to our XtendiMax product label that will help ensure farmers have even more success with the Roundup Ready Xtend Crop System in 2018. The updates, which were voluntarily proposed by Monsanto and are supported by the EPA, include mandatory training, new recordkeeping requirements and a Restricted Use Pesticide (RUP) designation.

As we look to the 2018 season, we are, among other efforts:

- Evolving and **tailoring our trainings** based on learnings from 2017
- Distributing **spray nozzles at no cost** that are compliant with the product label
- Continuing to offer an **incentive of up to \$6 per acre when applying XtendiMax®** through Roundup Ready PLUS® Crop Management Solutions
- Setting up a **technical support call center to help applicators** easily access information on best practices and application requirements
- Working to **develop a spray App** for applicators to help them avoid **problematic weather conditions** to achieve on-target applications

HOW WE COLLABORATE WITH ACADEMICS AND UNIVERSITIES



Exchange information through academic and industry conferences



Product testing for review by regulatory agencies



Invite academics to conduct field trials on our products



Seek advice on the safety and performance of our products



Co-author peer-reviewed research in academic journals



Recruit the best and brightest to work in agriculture



Provide information and resources to the general public



Advise decision-makers on sound agricultural policy

Academic Partnerships

Q: WHY DOES MONSANTO ENGAGE WITH ACADEMICS?

A: No single organization or company can address society’s major challenges alone. Monsanto is certainly not an expert in all areas, so we partner with others like scholars and researchers at major universities. A professor may be the world’s leading expert in a particular field, and we need their insight to help us address a tough problem or to verify our own work. Sometimes we simply want an outside perspective. These partnerships can and often do produce outcomes that benefit society.

Q: DOES MONSANTO PAY ACADEMICS?

A: Like many companies, we sometimes fund a professor’s research program or help them carry out public education and outreach, but Monsanto doesn’t offer professors direct compensation. Scientific research at universities is often funded by outside sources, including the government, foundations and companies.

Q: IS MONSANTO TRANSPARENT ABOUT THESE RELATIONSHIPS?

A: We describe our working relationships with academics to the public through our own [website](#), and through guest posts in third-party publications like [Forbes Magazine](#).

Intellectual Property

Q: WHY ARE MONSANTO’S SEEDS CONSIDERED INTELLECTUAL PROPERTY?

A: Our annual investment in R&D has resulted in advances across plant breeding, biotechnology and data-driven agriculture tools that help farmers grow more with less. Intellectual property protections, such as patents, provide incentives to disclose and share information that enables third parties to work with and further improve upon prior inventions. In exchange for their disclosure, the holder of a patent is provided a limited period of market exclusivity, during which the market will determine whether the invention has value.

Q: HOW DOES INTELLECTUAL PROPERTY PROTECTION HELP CONSUMERS?

A: Not only has protection of intellectual property been integral to advancements in agriculture, but also in fields like medicine and information technology. It fuels subsequent waves of innovation that enable continued scientific advancement, ultimately helping to solve challenges facing us today and tomorrow.

As a company dedicated to bringing – and sharing across our industry – new innovative solutions for farmers, we support the development and enforcement of national policies for intellectual property rights complemented by development-oriented policies that benefit society.

The *Sustainability and Corporate Responsibility Committee* (SCRC) of our board of directors is charged with reviewing and monitoring our sustainability performance and risks. See our *website* and our *Proxy Statement* for a broader overview of our corporate governance framework. Links to specific information are included in the Reporting Index of this report, beginning on *Page 59*.

SCRC RESPONSIBILITIES AND ACTIVITIES

Review sustainability goals and reporting • Meet with stakeholders to identify and investigate emerging issues • Discuss business conduct program, progress related to Human Rights Policy, and charitable donations • Approve funding for corporate political activities • Appoint members of senior management to Good Government Fund Advisory Panel • Review and consider topics like biotechnology approvals, product launches and GMO labeling

IN FISCAL YEAR 2017,

the SCRC met five times and reviewed and discussed many of the topics covered throughout this report and other sustainability efforts. The committee approved this report. Specific matters discussed include:

- *Climate action*
- *Consumer food and nutrition*
- *Human rights*
- *Biodiversity*
- *External stakeholder engagement*
- *Collaboration*
- *Input from a farmer panel*

ENGAGING WITH SHAREOWNERS

We encourage shareowners to contact our board, independent lead director or corporate secretary through our website or regular mail at the following address:

Monsanto

*c/o David F. Snively,
Corporate Secretary*

(for our lead independent director use: *c/o Office of the Lead Director*)

800 N. Lindbergh Boulevard

Mail Stop A3NA

St. Louis, MO 63167

Corporate Governance At A Glance (FY 2017)

▶ Board Independence

- ▶ **12** out of **13** directors are independent
- ▶ CEO is the only management director; also the board chairperson

▶ Board Composition

- 10** men
- 3** women
- 1** African-American
- 1** non-United States resident
- 1** under the age of **50**
- 12** over the age of **50**

- ▶ Board regularly assesses its performance through self-evaluation
- ▶ Nominating and Corporate Governance Committee leads the full board in considering board competencies and refreshment

▶ Board Committees

- ▶ Audit and Finance
- ▶ Executive
- ▶ Nominating and Corporate Governance
- ▶ People and Compensation
- ▶ Science and Technology
- ▶ Sustainability and Corporate Responsibility

- ▶ All committees are composed entirely of independent directors with the exception of the Executive Committee (where chairman and CEO serves)

ETHICAL CONDUCT

Through our board chartered global Business Conduct Office (BCO) we implement ethics and compliance initiatives and directives. As allowed by local law, employees may submit questions or voice concerns to the BCO anonymously via:

- Internal toll-free telephone number
- Email
- Third-party provider

In 2017, the BCO received 512 inquiries:

- 359 requests for guidance regarding compliance and business ethics
- 153 concerns about conduct inconsistent with our policies or codes of conduct
 - ▶ *After investigating three allegations of discrimination, two cases required corrective actions through coaching, and one case was unsubstantiated.*
 - ▶ *Of 23 allegations related to our Human Rights Policy, four were found to be inconsistent with our company policy and remedied, four required intervention, nine were unsubstantiated and the remaining six are still under review. Resolutions ranged from termination to coaching and process remediation.*

In 2016*, 100 percent of our global employee population completed our annual certification process – an additional opportunity to ensure we are in compliance with our policies and codes of conduct.

EXCELLING IN TRADE COMPLIANCE

Monsanto is committed to compliance with all export and import laws and regulations that govern the transportation of our products across international borders. We are certified under several voluntary government and global trade compliance programs. These programs **add security to safeguard the world's industry from threats**, as well as implement continual auditing to demonstrate readiness to manage and monitor trade compliance. We work with trade authorities to assure compliance.

*Latest data available

LEADING WITH INTEGRITY

The Monsanto Ethical Leadership Professional Development Series is designed to promote a culture of ethics and provide opportunities for career enhancement to all employees.

ALL EMPLOYEES
received refreshed
CODE OF BUSINESS CONDUCT TRAINING

230+
PEOPLE LEADERS
trained in
2017

EXPANDING ETHICAL LEADERSHIP TRAINING to our Latin American sites in 2018



PREVENTING CORRUPTION

Anti-corruption policies have been communicated to:

100%

of **Board Members**

100%

of our **employees**

100%

of our **new and recurring business partners**

We require in-person anti-corruption training for **100 percent of employees** who may represent our company in front of government officials.

POLITICAL CONTRIBUTIONS

Participating constructively and transparently in the political process is essential to our company's long-term success. We contribute to U.S. political candidates and industry and trade groups in a manner compliant with all applicable laws and reporting requirements. The Sustainability and Corporate Responsibility Committee of our board of directors oversees political contributions.

The 2017 CPA-Zicklin Index (see Page 9) ranking recognizes our efforts to increase and clarify the information we share on the *political disclosures* portion of our website.

THIS REPORT DOES MORE than simply relay our commitment to sustainability; it highlights our challenges and opportunities. It sparks conversations that help us more acutely understand what matters to our company and shareowners, farmers, policymakers, communities and consumers.

We use these and other insights to guide the content of our sustainability reporting and to inform where we may focus our future efforts.

MATERIALITY AND STAKEHOLDER PERSPECTIVE

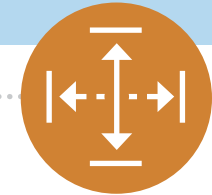
In 2015, we worked with *Business for Social Responsibility* (BSR) to conduct a formal materiality assessment to better understand what is important to stakeholders and consider our impact on sustainable development. BSR interviewed Monsanto employees from different areas of our business around the world and 20 external stakeholders from multiple disciplines. A scoring system was applied to the results of these interviews, enabling us to determine which material topics to include in the report.

See the chart on [Page 15](#) that summarizes our material topics and how they impact our business and stakeholders throughout the world. An impact can be positive or negative. Please visit our website for [detailed definitions of each material topic](#).

ABOUT THIS REPORT

- ▶ Includes our United Nations Global Compact Communication on Progress
- ▶ Is prepared in accordance with the Global Reporting Initiative (GRI) Standards “Core” option along with many components of the “Comprehensive” option
- ▶ Tracks how our efforts align with the United Nations Sustainable Development Goals

REPORT PARAMETERS



▶ Scope

- ▶ *Varies based on type of content provided*
- ▶ *See footnotes for quantitative data*
- ▶ *Unless otherwise noted, information pertains to our global Seeds and Genomics and Ag Productivity segments and corporate functions including consolidated subsidiaries, but excluding joint ventures*

▶ Reporting period

- ▶ *Environmental, health and safety data and human rights data: Fiscal year 2017 (September 1, 2016 – August 31, 2017), with the exception of WASH-related data, which covers a three-year period from 2014 to 2017*
- ▶ *Anecdotal information: We do not distinguish between fiscal and calendar years; as a result, some information may be noted from other calendar years*

- ▶ **Locations:** Locations referenced without a country name are within the United States

OUR 2017 SUSTAINABILITY REPORT was prepared in accordance with the Global Reporting Initiative Standards “Core” option. This combined reporting index includes all the GRI Standards indicators covered in the report and aligns them with applicable UN Sustainable Development Goals (SDGs) and UN Global Compact Principles. To determine alignment with the SDGs, we used the WBCSD SDG Compass Annex Tool as a foundation and built upon it with our own knowledge base.



GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
GENERAL DISCLOSURES				
General Disclosures	102-1	Monsanto Company		
General Disclosures	102-2	Growing Better Together, <i>Pages 12-13</i> (Our Company); Better Partner, <i>Page 52</i> (Critical Issues: Products), <i>Page 53</i> (Critical Issues: GMOs), <i>Page 54</i> (Critical Issues: Crop Protection); <i>Monsanto 2017 Form 10-K: Item 1</i>		
General Disclosures	102-3	St. Louis, Missouri, United States		
General Disclosures	102-4	Growing Better Together, <i>Page 12</i> (Our Company); <i>Monsanto 2017 Form 10-K: Item 2, Note 25</i>		
General Disclosures	102-5	<i>Certificate of Incorporation</i>		
General Disclosures	102-6	Growing Better Together, <i>Pages 12-13</i> (Our Company); <i>Monsanto 2017 Form 10-K: Item 1, Note 25</i>		
General Disclosures	102-7	Growing Better Together, <i>Page 12</i> (Our Company); Better Partner, <i>Page 45</i> (Workplace: Employee Composition); <i>Monsanto 2017 Form 10-K: Item 1 (Employee Relations), Item 8</i>		
General Disclosures	102-8	Better Partner, <i>Page 45</i> (Workplace: Employee Composition); <i>Monsanto 2017 Form 10-K: Item 1 (Employee Relations), Item 8</i>	8	
General Disclosures	102-9	Better Partner, <i>Pages 48-49</i> (Respecting Human Rights); <i>Pages 50-51</i> (Working With Our Suppliers)	9, 17	
General Disclosures	102-10	Better Partner, <i>Page 48</i> (Respecting Human Rights [Agreement for sale of the branded hybrid cottonseed business in India])		
General Disclosures	102-11	Better Planet, <i>Pages 19-22</i> (Driving Climate-Smart Agriculture), <i>Page 24</i> (Managing Water Resources), <i>Pages 25-26</i> (Advocating for Biodiversity); Better Partner, <i>Page 52</i> (Critical Issues: Products); <i>Website (Product Stewardship Research and Development Process)</i>	12, 13, 14, 15	
General Disclosures	102-12	Growing Better Together, <i>Page 14</i> (Sustainability Governance and Engagement)	17	
General Disclosures	102-13	Growing Better Together, <i>Page 14</i> (Sustainability Governance and Engagement)	17	
General Disclosures	102-14	CEO Letter, <i>Page 2</i>		



GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
General Disclosures	102-15	CEO Letter, Page 2 ; Executive Summary, Pages 5-6 (Sustainability in Modern Agriculture); Growing Better Together, Pages 15-16 (Sustainability Material Topics); Better Planet, Pages 19-22 (Driving Climate-Smart Agriculture), Page 24 (Managing Water Resources), Pages 25-26 (Advocating for Biodiversity); Better Partner, Pages 52-56 (Critical Issues); <i>Monsanto 2017 Form 10-K: Item 1, 1A, 7A</i>	1, 2, 8, 9, 12, 13, 14, 15, 17	
General Disclosures	102-16	Website (Code of Ethics) ; Website (Our Pledge)	8, 10, 16, 17	
General Disclosures	102-17	Better Partner, Page 57 (Driving Ethical Business Conduct)	8, 10, 16	
General Disclosures	102-18	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance) ; <i>2017 Proxy Statement, Pages 25-26</i>	8, 16	
General Disclosures	102-19	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance) ; <i>2017 Proxy Statement, Pages 25-26</i>	8, 16	
General Disclosures	102-20	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance) ; <i>2017 Proxy Statement, Pages 25-26</i>	8, 16	
General Disclosures	102-21	Better Partner, Page 56 (Corporate Governance Framework); <i>2017 Proxy Statement, Page 28</i>	16, 17	
General Disclosures	102-22	Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance)	5, 16	6
General Disclosures	102-23	Better Partner, Page 56 (Corporate Governance Framework); <i>2017 Proxy Statement, Page 22</i>		
General Disclosures	102-24	<i>2017 Proxy Statement, Page 20</i>	5, 16	
General Disclosures	102-25	<i>2017 Proxy Statement, Pages 29-31</i>	16	10
General Disclosures	102-26	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance) ; <i>2017 Proxy Statement, Page 23</i>	16	
General Disclosures	102-27	Better Partner, Page 56 (Corporate Governance Framework); <i>2017 Proxy Statement, Page 23</i>	4	
General Disclosures	102-28	<i>2017 Proxy Statement, Page 24</i>		
General Disclosures	102-29	Growing Better Together, Page 14 (Sustainability Governance and Engagement), Page 15 (Sustainability Material Topics); Better Partner, Page 56 (Corporate Governance Framework), Page 58 (Our Approach to Reporting); Website (Corporate Governance) ; <i>2017 Proxy Statement, Pages 26-28</i>	16	
General Disclosures	102-30	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Page 56 (Corporate Governance Framework); Website (Corporate Governance) ; <i>2017 Proxy Statement, Pages 26-28</i>	16	
General Disclosures	102-31	Better Partner, Page 56 (Corporate Governance Framework)	16	
General Disclosures	102-32	<i>The Board of Directors Sustainability and Corporate Responsibility Committee</i>	16	

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
General Disclosures	102-33	Better Partner, Page 56 (Corporate Governance Framework), Page 57 (Driving Ethical Business Conduct); 2017 Proxy Statement, Page 28	8, 16	
General Disclosures	102-34	We have various ways of gathering concerns across company functions and regions of the world including: customer product inquiries, employee and contractor inquiries, consumer online contacts via monsanto.com , discover.monsanto.com , and world areas' websites. Each concern has an established process and business owner for addressing the situation. Summary reports for each area flow to regional, functional or executive leaders; 2017 Proxy Statement, Pages 23, 29	8, 16	
General Disclosures	102-35	2017 Proxy Statement, Pages 33-38	8, 16	
General Disclosures	102-36	2017 Proxy Statement, Pages 33-38	8, 16	
General Disclosures	102-37	2017 Proxy Statement, Pages 33-38	16, 17	
General Disclosures	102-40	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Planet, Page 21 (Driving Climate-Smart Agriculture: Our Progress), Page 22 (Driving Climate-Smart Agriculture: Collaborations); Better Partner, Page 58 (Our Approach to Reporting); also discussed throughout this report.	17	
General Disclosures	102-41	22.4 percent of Monsanto's regular employees are covered by a collective bargaining agreement.	8	3
General Disclosures	102-42	Growing Better Together, Page 14 (Sustainability Governance and Engagement), Page 15 (Sustainability Material Topics); Better Partner, Page 58 (Our Approach to Reporting)	17	
General Disclosures	102-43	Growing Better Together, Page 14 (Sustainability Governance and Engagement), Page 15 (Sustainability Material Topics); Better Partner, Page 58 (Our Approach to Reporting)	17	
General Disclosures	102-44	Growing Better Together, Page 14 (Sustainability Governance and Engagement); Better Partner, Pages 52-56 (Critical Issues); Page 58 (Our Approach to Reporting); also discussed throughout this report.	17	
General Disclosures	102-45	All entities included in our Consolidated Financial Statements are covered in this report. See Monsanto 2017 Form 10-K: Exhibit 21		
General Disclosures	102-46	Growing Better Together, Page 15 (Sustainability Governance and Engagement); Better Partner, Page 58 (Our Approach to Reporting)	17	
General Disclosures	102-47	Growing Better Together, Page 15 (Sustainability Material Topics); Website: (Sustainability Material Topics)		
General Disclosures	102-48	As we developed our commitment around smallholder training in fiscal year 2017, we did a more thorough review to set an accurate baseline. It appears that we are engaging with 2.5 million farmers per year in some types of training/education across Asia and Africa. With the introduction of Farmrise and the plan to use more brand ambassadors as field advisors/agents, we do expect to see this number rise hence the target of 4 million farmers by 2020. Fiscal years 2015 and 2016 Environmental Footprint Data denoted with an asterisk on Pages 27-29 were updated from what was previously reported to reflect corrections and/or changes to the data or calculation methodology. With respect to Page 46 of our 2017 sustainability report, the severity rates for prior years have been updated to reflect the disposition of injuries occurring after the close of the 2016 fiscal year.		
General Disclosures	102-49	Report scope and topic boundaries remain the same as 2016.		
General Disclosures	102-50	Fiscal year 2017; See also Better Partner, Page 58 (Our Approach to Reporting)		
General Disclosures	102-51	Fiscal year 2016		

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
General Disclosures	102-52	We plan to report on our sustainability commitments annually on a fiscal year basis.		
General Disclosures	102-53	fiona.l.woody@monsanto.com		
General Disclosures	102-54	This report has been prepared in accordance with the GRI Standards: Core option and contains many elements of the GRI Standards: Comprehensive option.		
General Disclosures	102-55	Better Partner, Pages 59-67 (Reporting Index)		
General Disclosures	102-56	We have sought and received an external assessment of our Child Care Program in India from SGS India Pvt. Ltd. See Independent Assessment Statement on Page 72 . We have sought and received external assurance from Bureau Veritas of data reported for environmental disclosures (see Assurance Letter on Page 68) and the section of the report entitled Working with Our Suppliers (see Assurance Letter on Page 74).	16	
Management Approach - Boundaries	103-1	Growing Better Together, Pages 15-16 (Sustainability Material Topics); Website (Sustainability Material Topics)		
Management Approach	103-2	Executive Summary, Page 10 (Progress Against Commitments); Growing Better Together, Pages 15-16 (Sustainability Material Topics); Better Planet, Page 18 (Better Planet Management Approach); Better Lives, Page 31 (Better Lives Management Approach);	ALL	
	103-3	Better Partner, Page 41 (Better Partner Management Approach), Page 48 (Respecting Human Rights), Page 52 (Critical Issues: Products), Page 56 (Corporate Governance Framework), Page 57 (Driving Ethical Business Conduct); Website (Product Stewardship Research and Development Process)		
TOPIC-SPECIFIC DISCLOSURES: ECONOMIC				
Economic Performance	201-1	Monsanto 2017 Form 10-K: Item 8	2, 5, 7, 8, 9	
Economic Performance	201-2	Better Planet, Page 19 (Driving Climate-Smart Agriculture)	9, 13	
Economic Performance	201-3	Monsanto 2017 Form 10-K: Note 16	8	
Infrastructure Investments and Services Supported	203-1	Better Planet, Page 22 (Driving Climate-Smart Agriculture: Collaborations), Page 25 (Advocating for Biodiversity); Better Lives, Page 33 (Promoting Food and Nutrition Security: Africa), Page 34 (Promoting Food and Nutrition Security: Asia), Page 35 (Promoting Food and Nutrition Security: Children), Page 38 (Community Engagement: Investments and Volunteerism); Better Partner, Page 48 (Respecting Human Rights). Monsanto supports a variety of infrastructure investments through its philanthropic arm, Monsanto Fund, a U.S.-based 501(c)(3) nonprofit organization funded by Monsanto. For more information, visit www.monsantofund.org . Monsanto pays the salary of a full-time employee who dedicates 40 percent of their time to the World Business Council for Sustainable Development.	2, 5, 7, 9, 10, 11, 17	
Significant Indirect Economic Impacts	203-2	Better Planet, Page 25 (Advocating for Biodiversity); Better Lives, Pages 32-36 (Promoting Food and Nutrition Security), Pages 37-39 (Community Engagement)	1, 2, 3, 8, 9, 10, 17	

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
Anti-corruption	205-2	Better Partner, Page 57 (Driving Ethical Business Conduct)	16	10
Anti-competitive Behavior	206-1	Monsanto 2017 Form 10-K, Note 24	16	10
TOPIC-SPECIFIC DISCLOSURES: ENVIRONMENTAL				
Materials	301-3	Monsanto partners in agricultural container recycling programs globally, but does not currently collect this information centrally. In 2017, we estimate that approximately 95 percent of our U.S. crop protection product packaging was either refillable or recycled. With more than 85 percent of our products sold in refillable containers and the other 15 percent in single-use plastic jugs, as part of the Ag Container Recycling Council (ACRC) initiative, we are diligently working to reduce product packaging waste.	8, 12	7, 8
Energy	302-1	Better Planet, Pages 27-29 (Environmental Footprint Data)	7, 8, 12, 13	7, 8
Energy	302-2	Better Planet, Pages 27-29 (Environmental Footprint Data)	7, 8, 12, 13, 17	7, 8, 9
Energy	302-3	Better Planet, Pages 27-29 (Environmental Footprint Data)	7, 8, 12, 13	7, 8
Energy	302-4	Better Planet, Page 21 (Driving Climate-Smart Agriculture: Our Progress) See also footnotes on Page 29 (Environmental Footprint Data)	7, 8, 12, 13	7, 8
Energy	302-5	Growing Better Together, Page 12 (Our Company); Better Planet, Pages 19-22 (Driving Climate-Smart Agriculture), Page 23 (Product Breakthroughs)	7, 8, 12, 13	7, 8, 9
Water	303-1	Better Planet, Pages 27-29 (Environmental Footprint Data)	6, 14	7, 8, 9
Water	303-2	(Partially reported) Better Planet, Page 24 (Managing Water Resources)	6, 14	7, 8, 9
Water	303-3	Better Planet, Pages 27-29 (Environmental Footprint Data)	6, 8, 12, 14	7, 8, 9
Biodiversity	304-1	(Partially Reported) Better Planet, Page 26 (Advocating for Biodiversity). We continue analyzing our operations that are near or adjacent to areas of high biodiversity to ensure our operations do not affect sensitive habitat.	6, 14, 15	7, 8
Biodiversity	304-2	Better Planet, Pages 19-22 (Driving Climate-Smart Agriculture), Page 23 (Product Breakthroughs), Page 24 (Managing Water Resources), Page 25 (Advocating for Biodiversity); Better Partner, Page 52 (Critical Issues: Products), Page 54 (Critical Issues: Crop Protection)	6, 14, 15	7, 8, 9
Biodiversity	304-3	(Partially reported) Better Planet, Pages 25-26 (Advocating for Biodiversity)	6, 14, 15, 17	7, 8
Emissions	305-1	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 12, 13, 14, 15	7, 8
Emissions	305-2	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 12, 13, 14, 15	7, 8
Emissions	305-3	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 12, 13, 14, 15, 17	7, 8, 9
Emissions	305-4	Better Planet, Pages 27-29 (Environmental Footprint Data)	12, 13, 14, 15	7, 8
Emissions	305-5	(Partially reported) Growing Better Together, Page 13 (Our Company); Better Planet, Page 20 (Driving Climate-Smart Agriculture: Our Path to Carbon Neutrality), Page 21 (Driving Climate-Smart Agriculture: Our Progress), Page 27 (Environmental Footprint Data)	12, 13, 14, 15	7, 8, 9

Environmental disclosures **bolded** have been externally assured; see [Independent Assurance Statement on Page 68](#).

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
Emissions	305-7	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 12, 14, 15	7, 8
Effluents and Waste	306-1	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 6, 12, 14, 15	7, 8
Effluents and Waste	306-2	Better Planet, Pages 27-29 (Environmental Footprint Data)	3, 12, 14, 15	7, 8
Effluents and Waste	306-3	In fiscal year 2017, there were no accidental, episodic spills or releases from our facilities that were significant enough to be reported to one or more governmental agencies.	3, 6, 12, 14, 15	8
Effluents and Waste	306-4	Better Planet, Pages 27-29 (Environmental Footprint Data); Hazardous waste was not exported or imported by Monsanto across country borders in fiscal year 2017.	3, 12, 14, 15	8
Effluents and Waste	306-5	(Partially Reported) Across the globe, Monsanto complies with a diverse set of regulatory programs designed to protect water bodies and related habitats and routinely audits against these requirements. Beyond these audits, Monsanto regularly performs self-assessments of all of our chemical manufacturing operations to confirm that we are not causing adverse impacts to groundwater or neighboring water resources. See also: Better Planet, Page 24 (Managing Water Resources)	6, 12, 14, 15	8
Environmental Compliance	307-1	Monsanto regularly and routinely collects compliance information regarding its global operations. In fiscal year 2017, we did not identify any material fines or nonmonetary sanctions for noncompliance with environmental laws and regulations. <i>Additional information is provided in Monsanto's Form 10-K for the fiscal year ending August 31, 2017, Item 3, Note 24, and Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Outlook.</i>	12, 13, 14, 15	8
Supplier Environmental Assessment	308-1	All current and new suppliers invited to engage in business with Monsanto must complete a computer-based profile that includes acceptance of the Monsanto Supplier Code of Conduct. Monsanto requires its suppliers to conform to our Supplier Code of Conduct through the establishment of new contracts and at the time of contract renewal.	3, 6, 12, 16, 17	7, 8, 9
Supplier Environmental Assessment	308-2	Better Partner, Page 50 (Working With Our Suppliers)	3, 6, 12, 16, 17	7, 8, 9
TOPIC-SPECIFIC DISCLOSURES: SOCIAL				
Employment	401-1	Better Partner, Page 45 (Workplace: Employee Composition)	5, 8	
Employment	401-2	Better Partner, Page 43 (Workplace: Rewards)	8	
Employment	401-3	Better Partner, Page 45 (Workplace: Employee Composition)	5, 8	6
Labor/Management Relations	402-1	We comply with the notification periods required in the regions of the world where we work. When an area has no specified notification policy, we build our communication timeline in a way that accounts for the needs of our employees and their circumstances. Where collective bargaining agreements are in place, Monsanto follows the notification guidelines established in these agreements.	8	3
Occupational Health and Safety	403-1	Better Partner, Page 41 (Better Partner Management Approach)	8	

Environmental disclosures **bolded** have been externally assured; see [Independent Assurance Statement on Page 68](#).

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles												
Occupational Health and Safety	403-2	Better Partner, Pages 46-47 (Workplace Well-Being). Note: We do not track absentee rates. In fiscal year 2017 there were no work-related fatalities. Additional data follows: <table border="0"> <tr> <td>Employee Fatalities</td> <td>Contractor Fatalities</td> </tr> <tr> <td>FY2017 - 0</td> <td>FY2017 - 0</td> </tr> <tr> <td>FY2016 - 0</td> <td>FY2016 - 0</td> </tr> <tr> <td>FY2015 - 0</td> <td>FY2015 - 0</td> </tr> <tr> <td>FY2014 - 1</td> <td>FY2014 - 0</td> </tr> <tr> <td>FY2013 - 0</td> <td>FY2013 - 0</td> </tr> </table>	Employee Fatalities	Contractor Fatalities	FY2017 - 0	FY2017 - 0	FY2016 - 0	FY2016 - 0	FY2015 - 0	FY2015 - 0	FY2014 - 1	FY2014 - 0	FY2013 - 0	FY2013 - 0	3, 8	
		Employee Fatalities	Contractor Fatalities													
FY2017 - 0	FY2017 - 0															
FY2016 - 0	FY2016 - 0															
FY2015 - 0	FY2015 - 0															
FY2014 - 1	FY2014 - 0															
FY2013 - 0	FY2013 - 0															
The formulas for health and safety data on Page 47 are as follows: IR = Total Number of Injuries / Total Hours Worked x 200,000 ODR = Total Number of Occupational Disease Cases / Total Hours Worked x 200,000 LDR = Total Number of Lost Days / Total Hours Worked x 200,000 TRR = (Total Number of Injuries + Occupational Diseases) / Total Hours Worked x 200,000 The factor 200,000 is derived from 50 working weeks at 40 hours per 100 employees. By using this factor, the resulting rates are related to the number of workers, rather than the number of hours. OCC = Occupational																
Occupational Health and Safety	403-3	Better Partner, Pages 46-47 (Workplace: Well-Being)	3, 8													
Training and Education	404-1	Better Partner, Page 42 (Workplace: Employee Development)	4, 5, 8													
Training and Education	404-2	Better Partner, Page 42 (Workplace: Employee Development)	8													
Training and Education	404-3	Better Partner, Page 42 (Workplace: Employee Development)	5, 8													
Diversity and Equal Opportunity	405-1	Better Partner, Page 45 (Workplace: Employee Composition), Page 56 (Corporate Governance Framework)	5, 8	6												
Non-discrimination	406-1	Better Partner, Page 57 (Driving Ethical Business Conduct)	5, 8, 16	1, 2, 6												
Freedom of Association and Collective Bargaining	407-1	Our assessments did not find any instances of right to freedom of association and collective bargaining to be at risk in 2017. Better Partner, Page 48 (Respecting Human Rights), Page 50 (Working With Our Suppliers); Website (Human Rights Policy)	8, 17	1, 2, 3												
Child Labor	408-1	Better Partner, Page 48 (Respecting Human Rights), Page 50 (Working With Our Suppliers)	4, 8, 16, 17	1, 2, 5												

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
Forced or Compulsory Labor	409-1	Our assessments did not find any instances of forced labor in 2017. For information on our assessments, see: Better Partner, Page 48 (Respecting Human Rights), Page 50 (Working With Our Suppliers)	8, 16, 17	1, 2, 4
Security Practices	410-1	Better Partner, Page 49 (Respecting Human Rights)	16, 17	1, 2
Rights of Indigenous Peoples	411-1	Where indigenous peoples live near or work in our facilities, we do our best to accommodate any special needs they have. We did not discover any significant issues from our operations involving the rights of indigenous peoples in fiscal year 2017.	16	1, 2
Human Rights Assessment	412-1	Better Partner, Page 48 (Respecting Human Rights), Page 50 (Working With Our Suppliers)	8, 16, 17	1, 2
Human Rights Assessment	412-2	Better Partner, Page 48 (Respecting Human Rights)	8, 16, 17	1, 2
Human Rights Assessment	412-3	We view our seed supply and labor provider contracts as areas of significant investment where human rights have the potential to be impacted negatively. In 2017 we had contracts with approximately 43,000 such entities and all of the contracts included human rights clauses.	8, 16, 17	1, 2
Local Communities	413-1	Better Lives, Page 39 (Community Engagement: Health and Safety)	16, 17	
Local Communities	413-2	<p>(Partially reported) Monsanto locations include administrative and sales offices, manufacturing plants, seed production facilities, research centers and learning centers located in mainly rural communities around the world. Information about specific operations is not reported due to security reasons. We employ a variety of measures to keep employees, visitors and communities safe including process safety management, pollution prevention, community awareness and emergency response planning. While Monsanto manages the following areas to mitigate and minimize the local impact of its operations on local communities and neighbors, each site type deals with a different set of potential community impacts.</p> <p>All sites have the potential to affect a community via fire, traffic, waste disposal and water consumption.</p> <p>Seed production, crop protection and research operations could impact a community through air emissions, noise, hazardous material release, light pollution and more.</p> <p>Qualified audit teams conduct oversight compliance audits with attention to environmental, industrial hygiene, safety and property protection and occupational medicine at each Monsanto facility on a rotation with staff responsible for ongoing management of environmental, health and safety conditions.</p> <p>All of our sites have off-site consequence analysis for all highly hazardous materials (HHM) handled, including all credible scenarios (wind directions, etc.) to ensure proper community notification systems exist as needed; plant emergency response is sufficient; and drills with local authorities. Our global Crop Protection chemical production sites follow local Responsible Care programs and have externally validated environmental (ISO 14001 or RC14001®) management systems in place. See also: Better Planet, Page 18 (Better Planet Management Approach); Website (Environmental Management Guidelines)</p>	1, 2, 16	
Supplier Social Assessment	414-1	All current and new suppliers invited to engage in business with Monsanto must complete a computer-based profile that includes acceptance of the Monsanto Supplier Code of Conduct. Monsanto requires its suppliers to conform to our Supplier Code of Conduct through the establishment of new contracts and at the time of contract renewal.	5, 8, 16, 17	1, 2
Supplier Social Assessment	414-2	Better Partner, Page 48 (Respecting Human Rights), Page 50 (Working With Our Suppliers)	5, 8, 16, 17	1, 2

GRI Standard Title	Disclosure	Location	Related UN Sustainable Development Goals	Related UN Global Compact Principles
Public Policy	415-1	Better Partner, Page 57 (Driving Ethical Business Conduct); Website (Political Disclosures)	16, 17	10
Customer Health and Safety	416-1	Better Partner, Page 52 (Critical Issues: Products), Page 54 (Critical Issues: Crop Protection); Website (Product Stewardship) ; Website (Product Stewardship Research and Development Process) ; Website (Safety and Technical Information)	3, 12	
Customer Health and Safety	416-2	Monsanto regularly and routinely collects compliance information regarding its global operations. We did not identify any material incidents of noncompliance with regulations and voluntary codes concerning the health and safety impacts of products and services. Additional information is provided in Monsanto's Form 10-K for the fiscal year ending August 31, 2017, Item 3, Note 24, and Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Outlook ,	3, 12, 16	
Marketing and Labeling	417-1	<ul style="list-style-type: none"> • Sourcing of components of the product or service: no • Content, particularly with regard to substances that might produce an environmental or social impact: yes • Safe use of the product: yes • Disposal of the product and environmental/social impacts: yes Our crop and vegetable seeds and crop protection products are covered by and assessed for compliance with the procedures identified above.	12, 16	
Marketing and Labeling	417-2	Monsanto regularly and routinely collects compliance information regarding its global operations. We did not identify any material incidents of noncompliance with regulations and voluntary codes concerning product and service information and labeling. See also: Monsanto 2017 Form 10-K: Item 3, Note 24	12, 16	
Marketing and Labeling	417-3	Monsanto regularly and routinely collects compliance information regarding its global operations. We did not identify any material incidents of noncompliance with regulations and voluntary codes concerning marketing communications. See also: Monsanto 2017 Form 10-K: Item 3, Note 24	12, 16	
Customer Privacy	418-1	Monsanto did not experience any material breaches of customer privacy or loss of customer data in fiscal year 2017. See also, Website (The Climate Corporation Privacy Policy)	12, 16	
Socioeconomic Compliance	419-1	Monsanto regularly and routinely collects compliance information regarding its global operations. We did not identify any material fines or nonmonetary sanctions for noncompliance with laws and regulations. Additional information is provided in Monsanto's Form 10-K for the fiscal year ending August 31, 2017, Item 3, Note 24, and Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Outlook ,	12, 16	

PROGRESS AGAINST COMMITMENTS FOOTNOTES, Page 10

¹ Monsanto made a commitment in 2008 to develop improved seeds and agronomic practices that by 2030 would help farmers use one-third fewer key resources than in 2000 per unit of output to grow corn, soybeans and cotton. We recognize these improvements will be made by farmers who utilize new technologies and better management practices provided from a diverse set of collaborators, one of which is Monsanto. Progress against these goals are impacted by weather conditions and revised calculations and data from the USDA's Agricultural Resource Management survey and Natural Resources Inventory.

Source: Monsanto internal estimates. Reflects U.S. results only due to limitations on reliable data elsewhere. Key resources include land use, irrigation water, energy, soil loss and greenhouse gas emissions. For more information on this goal, see [Our Commitments to Sustainable Agriculture white paper](#).

² Based on population growth predictions, Monsanto made a commitment in 2008 to develop improved seeds and agronomic practices to help farmers double yields by 2030 from 2000 levels for canola, corn, cotton and soybeans in countries where farmers have access to the full complement of tools for these crops, including plant breeding, biotechnology and agronomic management. According to the United States Department of Agriculture Foreign Agricultural Service, significant progress has been made against these aggressive goals, especially in countries of high technology adoption. Yield-gain percentages are based on a three-year rolling average. Data source: USDA Production, Supply and Distribution View and analysis by Monsanto. For more information on this goal, see [Our Commitments to Sustainable Agriculture white paper](#).

³ Based on global meta-analysis data compiled by ISAAA.



INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas North America, Inc. (BVNA) has been engaged by Monsanto to conduct an independent assurance of selected environmental disclosures for Monsanto's Fiscal Year 2017 (September 1, 2016 to August 31, 2017) to be presented in Monsanto's 2017 Sustainability Report.

This Assurance Statement applies to the environmental disclosures listed within the scope of work described below.

The determination of the environmental disclosures and other information presented in Monsanto's 2017 Sustainability Report is the sole responsibility of the management of Monsanto. BVNA was not involved in the determination of environmental disclosures included in the Report. Our sole responsibility was to provide independent verification of the accuracy of selected information as described below.

Scope of work

Monsanto requested BVNA to verify the accuracy of the following environmental metrics associated with GRI Standards for the Fiscal Year 2017 reporting period:

- 302-1: Energy consumption within the organization
 - 302-2: Energy consumption outside of the organization associated with business travel and logistics
 - 302-3: Energy Intensity
 - 303-1: Water withdrawal by source
 - 303-3: Water recycled and reused
 - 305-1: Direct (Scope 1) Greenhouse Gas (GHG) emissions
 - 305-2: Energy indirect (Scope 2) GHG emissions
 - 305-3: Other indirect (Scope 3) GHG emissions associated with business travel and logistics
 - 305-4: GHG emissions intensity ratio
 - 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions
 - 306-1: Water discharge by quality and destination
 - 306-2: Waste by type and disposal method
 - 306-3: Significant spills
 - 306-4: Transport of hazardous waste under the terms of Basel Convention Annex I, II, III and VII
 - 307-1: Significant fines for non-compliance with environmental laws and/or regulations (fines >\$100,000)
- Landfill Diversion (%)



Monsanto Assurance Statement

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Excluded from the scope of our work is any verification of information relating to:

- Other information (e.g., text and data) associated with Monsanto's 2017 Environmental Sustainability Report that is outside the scope of work described above
- Activities outside the defined verification period of Fiscal Year 2017

Methodology

As part of its independent verification, BVNA undertook the following activities:

1. Interviews with relevant personnel of Monsanto regarding data collection and reporting systems;
2. Review of Monsanto's data and information systems and methodology for collection, aggregation, analysis and internal audit of information used to determine the environmental data;
3. Review of documentary evidence produced by Monsanto;
4. Audit of environmental and energy data traced back to the source for Monsanto facilities located in Centralia, Illinois; Muscatine, Iowa; St. Louis, Missouri (Creve Coeur and Chesterfield sites); Kearney, Nebraska; and Waco, Nebraska, USA during site visits;
5. Audit of select environmental and energy data traced back to the source for Monsanto facilities located in Chiapas, Mexico; Soda Springs Mine, Idaho; Trebes, France; and Zarate, Argentina, based on information provided remotely during web meetings; and
6. Review of the centralized data, methods for consolidation of site data and site data available in the centralized data management system during a visit to Monsanto's headquarters location in St. Louis, Missouri, USA.

Our assurance work was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 and ISO Standard 14064-3 Greenhouse Gases - Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. In accordance with our internal procedures for limited assurance, we use these as our reference standards.

The work was planned and carried out to provide data verification to a limited assurance level using a materiality threshold of $\pm 5\%$ and we believe it provides an appropriate basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed information within the scope of our verification as detailed above is not materially correct.
- Nothing has come to our attention to indicate that the reviewed information is not a fair representation of the actual environmental and energy data for Fiscal Year 2017.



Monsanto Assurance Statement

Page 3

- It is our opinion that Monsanto has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of work specified herein.

A summary of data within the scope of assurance for Fiscal Year 2017 is attached.

Statement of independence, impartiality and competence

BVNA is part of The Bureau Veritas Group, an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with almost 180 years of history in providing independent assurance services, and an annual 2016 revenue of 4.5 Billion Euros.

No member of the verification team has a business relationship with Monsanto, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

BVNA has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.

Attestation:

John Rohde, Lead Verifier
Senior Project Manager
Bureau Veritas North America, Inc.



Trevor Donaghu, Project Reviewer
Senior Project Manager
Bureau Veritas North America, Inc.

Denver, Colorado
December 8, 2017



Environmental Metric Description	Value
302-1: Energy consumption within the organization (1000 GJ)	25,700
302-2: Energy consumption outside of the organization associated with business travel and logistics (1000 GJ)	5,900
302-3: Energy Intensity (GJ per \$1,000 Revenue)	1.75
303-1: Water withdrawal by source (1000 M ³)	42,200
303-3: Water recycled and reused (1000 M ³)	361,000
305-1: Direct (Scope 1) Greenhouse Gas (GHG) emissions (1000 MT of CO _{2e})	1,620
305-2: Energy indirect (Scope 2) GHG emissions (1000 MT of CO _{2e})	
Scope 2 – location-based	1,250
Scope 2 – market-based	1,250
305-3: Other indirect (Scope 3) GHG emissions associated with business travel and logistics (1000 MT of CO _{2e})	441
305-4: GHG emissions intensity ratio (MT CO _{2e} per \$1,000 revenue)	
Intensity ratio for Scope 1 and Scope 2 (location-based)	0.196
Intensity ratio for Scope 1 and Scope 2 (market-based)	0.196
305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions (MT)	
Sulfur Oxide (SOx) Emissions, combustion and process	1,350
Nitrous Oxide (NOx) Emissions, combustion and process	3,640
Volatile Organic Compound (VOC) Emissions	197
306-1: Water discharge by quality and destination (Process Water) (1000 M ³)	
Discharged to Off-site Treatment (e.g., POTW)	1,250
Permitted Discharges to the Environment - Subsurface (e.g., deep well injection, leach field)	2,260
Permitted Discharges to the Environment - Surface Water (e.g., river)	15,700
Process waste water quality for direct surface water discharges (MT)	
Biological Oxygen Demand (BOD)	56.5
Nitrate (as N)	86.4
Phosphates (as PO ₄)	383
Total Suspended Solids (TSS)	54.6
306-2: Waste by type and disposal method (MT)	
Hazardous Waste	11,300
Non-Hazardous Waste	358,000
Total Waste	370,000
306-3: Significant spills (agency reportable releases)	0
306-4: Transport of hazardous waste under the terms of Basel Convention Annex I, II, III and VIII	0
307-1: Significant fines for non-compliance with environmental laws and/or regulations (fines >\$100,000)	0
Landfill Diversion (%)	89

GJ = gigajoule, MT = metric ton, M³ = cubic meters, CO_{2e} = carbon dioxide equivalent



INDEPENDENT ASSESSMENT STATEMENT

Introduction & Objective of work:

Monsanto company has engaged SGS India Pvt. Ltd., to conduct an independent random assessment to their CCP (Child Care Program) for Monsanto during fiscal year 2017 (October 2016 to June 2017).

The assessment statement applies to CCP within the scope of the work described in SOW (Statement of work), dated September 30, 2016 as part of an agreement by & between Monsanto Company and SGS, Amendment No. 02, dated October 1st, 2016 to the master service agreement dated July 1, 2013 and Amended by Amendment No. 01, dated July 1, 2016.

Methodology: This independent assessment by SGS India Pvt. Ltd., has undertaken the following activities:

1. Witnessing of CCP auditor's field assessments in cotton seed production at different locations.
2. Witnessing of CCP auditors sensitizations 'program in cotton seed production at different locations.
3. Interviews with various stakeholders (Farmers, Farm workers, CCP Auditors, etc) to collect the information related to CCP program.
4. Review of CCP related document, data and reports shared by Monsanto.
5. 10 % Desk audit of CCP assessment reports.

Our work was conducted in accordance with SGS standard protocols/procedures and guidelines for external verification based on current best practice in independent assessment.

Our observations:

On the basis of our methodology and the activities described above

- We have not observed any points to indicate that the statements reviewed by us are inaccurate.
- In our opinion Monsanto has established appropriate systems on implementation of Child care program and collection of data for review and further action.
- Opportunities for further improvement on Child Care Program are recommended.

Exclusions and Limitations:

Excluded from the scope of our work is any verification of information relating to:

- Assessments of region not included by Monsanto in the scope of assessment.
- CCP process outside the defined period in the contract.
- Statements (Any expressions of opinions, belief, aim and or future plans by Monsanto) and statements of future commitments.
- This independent assessment statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

**Statement of impartiality, independence and competence**

SGS India Pvt. Ltd., is the world's leading Verification, Testing and Certification organization offering a wide range of quality related technical services with more than 60 years.

SGS India Pvt. Ltd has implemented a Code of Integrity across the business to maintain high ethical standards among staff in their day to day business activities.

We have conducted this assessment independently, and there has been no conflict of interests.

The assessment team has vast experience in conducting verification and assessment on social, ethical & health and safety information, systems and processes, over 15 years combined experience in this field with very good understanding of SGS India Pvt. Ltd., standard protocols for Assessment reports.

Attestation:

M V Suresh
Consumer and Retail
Operation Manger-SAS-South India

Savita Manjunath
Consumer and Retail
Head-SAS

Date: July 10, 2017



INDEPENDENT VERIFICATION STATEMENT

To: The Stakeholders of Monsanto

Introduction and objectives of work

Bureau Veritas North America, Inc. (Bureau Veritas) has been engaged by Monsanto to conduct an independent verification of the introductory material of the *BETTER PARTNER: Working with Our Suppliers* subsection of the 2017 Monsanto Sustainability Report. This Verification Statement applies to the related information included within the scope of work described below.

This information and its presentation in the 2017 Monsanto Sustainability Report are the sole responsibility of the management of Monsanto. Bureau Veritas was not involved in the drafting of the 2017 Monsanto Sustainability Report. Our sole responsibility was to provide independent verification on the accuracy of information included. This is the third year in which we have provided verification over the introductory material of the *BETTER PARTNER: Working with Our Suppliers* subsection of the 2017 Monsanto Sustainability Report.

Scope of work

Monsanto requested Bureau Veritas to verify the accuracy of the following:

- Data and information included in the introductory section of *BETTER PARTNER: Working with Our Suppliers* subsection of the 2017 Monsanto Sustainability Report which includes the Select Supplier Sustainability Assessment for the Fiscal Year 2017 (September 1, 2016 through August 31, 2017).

Methodology

As part of its independent verification, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of Monsanto;
2. Review of documentary evidence produced by Monsanto;
3. Review of Monsanto systems for quantitative data aggregation and analysis;

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Verification of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide limited, rather than absolute assurance and we believe it provides an appropriate basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated; and

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- It is our opinion that Monsanto has established appropriate systems for the collection, aggregation and analysis of quantitative data presented in the introductory section of BETTER PARTNER: Working with Our Suppliers information including the 2017 Monsanto Select Supplier Sustainability Assessment graphic.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim or future intention by Monsanto) and statements of future commitment;
- Data from regions not included by Monsanto due to incomplete supplier response; and
- Information presented outside the introductory material.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with more than 180 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Monsanto, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Attestation:



Candice Derks, Lead Verifier
Project Manager II
Bureau Veritas North America, Inc.



Lisa Barnes, Project Reviewer
Principal Verifier
Bureau Veritas North America, Inc.

Denver, Colorado
November 17, 2017

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For more information regarding Monsanto's sustainability efforts, please contact fiona.L.woody@monsanto.com.