

Report on Impacts of Genetically Engineered Products Monsanto

RESOLVED: Shareholders request that an independent committee of the Board review Company policies and procedures for monitoring genetically engineered (GE) products and report (at reasonable cost and omitting proprietary information) to shareholders within six months of the annual meeting on the results of the review, including:

- (i) the scope of Company products that are genetically engineered;
- (ii) the environmental impacts of continued use of GE products sold or manufactured by the company;
- (iii) contingency plans for removing GE seed and other GE products from the ecosystem should circumstances so require;
- (iv) evidence of independent long-term safety testing demonstrating that GE crops, organisms, or products thereof are actually safe for humans, animals, and the environment.

Supporting Statement

Indicators that genetically engineered organisms MAY be harmful to humans, animals, or the environment include:

- *The report Safety of Genetically Engineered Foods: Approaches to Assessing Unintended Health Effects (National Academy of Sciences [NAS] 7/2004) states: ... “there remain sizable gaps in our ability to identify compositional changes that result from genetic modification of organisms intended for food; to determine the biological relevance of such changes to human health; to devise appropriate scientific methods to predict and assess unintended adverse effects on human health.” (p. 15)*
- *Biological Confinement of Genetically Engineered Organisms (NAS 1/2004) states: “It is possible that some engineered genes that confer pest resistance or otherwise improve a crop plant might contribute to the evolution of increased weediness in wild relatives—especially if the genes escape to an organism that already is considered a weed.” ... “Other concerns about transgenic organisms include their effects on non-target populations—including humans—and the potential for transgenes to disperse and spread before becoming deregulated in particular regions or nations.” (p. 3-4)*
- *The study Gone to Seed, (Union of Concerned Scientists, 3/2004), found that genetically engineered DNA is contaminating U.S. traditional seeds of corn, soybeans and canola, and that if left unchecked could disrupt agricultural trade, unfairly burden the organic foods industry, and allow hazardous materials into the food supply.*

There is no post-marketing surveillance in effect to verify pre-market screening for unanticipated adverse health consequences from the consumption of GE food. (NAS 7/2004)

European Union rules require traceability of food and feed ingredients to their source materials, and labeling of food containing more than 0.9% GE ingredients.

Insurers in Germany, the UK and elsewhere are refusing liability coverage for genetically engineered crops, an example of heightened concern about the long-term safety of GE crops.

Shareholders are concerned that Monsanto has reversed strategy for genetically engineered products in recent months. Monsanto:

- *withdrew applications to numerous governments (Canada, Australia, New Zealand, Russia, South Africa, Columbia) for approval for GE wheat after years of research (6/2004);*
- *abandoned work to produce pharmaceuticals in GE corn (10/2003);*
- *suspended the Roundup Ready canola program in Australia (5/2004);*
- *reversed legal tactics and sought to dismiss claims on patent No. 5,633,435, after years of filing suit with farmers for infringement of it.*