



RTRS ANNUAL SUMMARY

A 28% growth in sales was registered in 2018 compared to 2017. Contributing to this figure, were more than 316,000 tons of RTRS certified soy sold physical flow, an 278% increase on 2017, in addition to 25 new buyers of RTRS certified soy.

2018 marked another strong year of growth and evolution for the Round Table on Responsible Soy Association (RTRS). Considerable steps have been taken this year to help balance the supply and demand for responsible soy.

RTRS continues to work closely with producers, and through innovation and new partnerships and programmes, RTRS has increased levels of market-ready responsible soy and ensured that this supply is reliable and long-term. At market level, RTRS' work to emphasise its competitive advantage, engage key markets and build relationships to extend its reach and profile have had a considerable impact this year. Several major brands, including the historical Unilever, Arla and Bayer and the new ones such as Lidl, Mars, Sligro and Ikea, among many others, have shown their long-term commitment to RTRS, and this work will continue.

With an increasingly engaged and educated global market demanding supply like never before, RTRS is now more than able to meet that need.



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2018 IN SUMMARY



2.8 million tons of certified soy were sold, representing a

28% GROWTH IN SALES compared to 2017. Of this, more than **316,000** tons were RTRS certified soy sold physical flow, almost 4 times **(278%)** the level sold in 2017.

25 NEW BUYERS

of RTRS certified soy including IKEA, Sligro and Bunge Spain, from 11 countries/territories represented. This **25 new buyers** purchased 250k tons of RTRS material, 197k RTRS physical flow.



NEW MEMBERS

Metro AG, Quorn Foods, Salmon Food and Fundación ProYungas joined RTRS.



WERE MADE AVAILABLE TO THE MARKET



MADE AVAILABLE TO THE MARKET



30.723

PRODUCERS CERTIFIED RTRS

First **1,280 RTRS non-GMO Credits** purchase from Brazil to the Scandinavians Skånemejerier AB and Unil As.



TASK FORCES held in Brazil, with a total of 120 attendees.



TRAINING COURSES for new RTRS auditors in Production and Chain of Custody standards in Brazil and Thailand.



Market differentiation: the value of the RTRS standard

RTRS' scheme of certification is a recognised, robust and verified standard based on five key differentiators which formed a core part of the organisation's work to engage with markets this year:

- RTRS is multi-stakeholder and holistic in its approach
- RTRS is the standard that guarantees zero deforestation and zero conversion; all natural land is protected
- RTRS ensures responsible social and labour conditions
- All RTRS producers are audited by independent and accredited third parties
- RTRS certification is at farm level and risk based and all outcomes of assessments are public

This compelling set of factors has seen RTRS successfully engage with some of the most significant market players in 2018:



Lidl Stiftung & Co. KG, reinforced their commitment to supporting soy farmers in Maranhão and Piauí by purchasing 210,000 RTRS direct trade credits. By tripling the amount of credits purchased (in comparison with 2017), Lidl has covered the soy footprint of several European countries, including the UK, which announced their commitment to the programme in 2018.



Unilever – 300,000 tons of RTRS material in credits and physical flow purchased average annually since 2015.



Arla – 270,000 tons of RTRS credits purchased annually since 2014.

These brands have shown that they see RTRS as a holistic and sustainable standard for soy, and in particular a standard that guarantees zero-deforestation and zero conversion.



2018 LEAD PURCHASERS OF RTRS CERTIFIED MATERIAL

BRANDS AND RETAILERS



Unilever
300k



Arla
270k



LIDL
210k



bel
47k



Ahold
Delhaize
46k




MARS
45k

TRADING AND RESELLING



ACT
1.3 M



Cefetra
385k



Groan
Mengvoedergrondstoffen
345k

FEED INDUSTRY



for farmers
the total feed business
295k



agrifirm
200k



de heus
135k





Driving demand: supporting growth in the market

2018 new modules

In June 2018, RTRS was proud to announce the launch of four new modules, to respond to market demand, and offer a greater level of choice to buyers eager to embrace responsible soy, and who also seek to align it with their own corporate responsibility goals. The modules for Country Mass Balance, non-GMO and non-Paraquat credits were all launched this year. Regional Credits, for its part, will be launch in March 2019.

In December 2018, the first 1,280 RTRS non-GMO Credits purchase from Brazil to the Scandinavians Skånemejerier AB and Unil As with the support of ACT Commodities.



Find out more about the RTRS modules launched in 2018 at www.rtrsmODULES.org.

Physical soy

Levels of physical supply made available to the market have continued to increase, offering the market a reliable source of soy, which can scale to meet demand. Of note, the Thai market showed growth this year, with the Thai Vegetable Oil PLC and Thanakorn Vegetable Oil Products each making purchases of 15,000 tons of RTRS certified soy. Pet nutrition specialists Royal Canin (Mars) also committed to RTRS for the first time, with the purchase of 2,400 of RTRS certified soy. For its part, Bunge Iberica purchased 165,000 tons RTRS certified physical supply.





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Growth in supply

End of year figures show that 2018 marked 4.5 million tons of RTRS certified soy made available to the market in 2018.

This growth, which follows the pattern of recent years, demonstrates the producers' commitment to soy that meets global requirements and standards of environmental and social certification.

Transformation through partnerships: RTRS' engagement activity

RTRS and Bayer

RTRS was proud to renew its global partnership with Bayer in 2018, with a range of initiatives to advance the cause of responsible soy. From a Global Agreement, in Brazil Bayer engaged with a group of eight cooperatives that represents the 11% of Brazilian Agribusiness GDP and in Argentina launched new training meetings together with Aapresid-ASC and RTRS, both initiatives with the aim of encouraging soy producers to certify RTRS.

The role of RTRS as a Produce, Conserve and Include strategy tool

Global attention has been focused on the Mato Grosso region of Brazil since the 2015 UN Climate Change conference. This led to the creation of the Produce, Conserve and Include (PCI) Strategy in 2018 in Brazil; RTRS was approved as one of the tools under the PCI strategy - a significant step forward, and ensuring that RTRS is embedded at the heart of work in the region.

RTRS alongside the PCI strategy and the Working Group on Sustainable Livestock (GTPS, Grupo de Trabalho da Pecuária Sustentável) and with support from the Brazilian Trade and Investment Promotion Agency (Apex-Brasil), hosted a panel COP 24, the Climate Change Conference currently underway in Katowice, Poland. The presentation aimed to present the sectorial and jurisdictional strategies to meet the commitments of sustainable commodities production in Brazil.



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RTRS and the aquaculture supply chain

The Aquaculture Stewardship Council recognized RTRS as the most environmentally meaningful soy certification standard available, and in October of this year, RTRS and Salmofood (a producer of balanced feed for Chile's aquaculture industry) delivered a leadership event, where 50 leaders of the sector came to explore how the RTRS criteria can be embedded into their value chains.

Recognising the full value of certification

To fully explore the true value that soy certification can deliver, RTRS partnered with BASF, Amaggi and Espaco ECO® since 2016, to conduct an evaluation study into the positive impacts of RTRS' certification in Brazil. Both a qualitative and quantitative study, the aim was to improve the business case for sustainable agriculture initiatives for producers and institutions alike.

Jurisdictional approach

RTRS promoted and participated in jurisdictional initiatives in Argentina, Brazil and Paraguay this year, covering three regions and working with three different approaches. The jurisdictional approach marries well with RTRS' own, holistic priorities; it focuses on a successful transition towards sustainable development, including social, environmental and economic dimensions, in geopolitical areas such as states, provinces, countries, districts or nations.





RTRS global multistakeholder collaboration

2018 saw RTRS continue its work to maintain a productive dialogue across the whole soy supply chain, in order to collectively master the challenge of achieving scale in responsible soy products in Europe. Building on the inaugural meeting on this subject: a multi-stakeholder, Malik Institute partnership event called 'Syntegration' (held in January 2016) RTRS convened a further meeting in August 2018, where the creation of a preliminary Steering Committee to advance the work from Syntegration was agreed; this Steering Committee had different conference calls and its first physical meeting in November.

At the same time, since January 2018 RTRS has been part of an OECD-FAO Guidance for Responsible Agricultural Supply Chains pilot project, which focuses on peer learning and exploring best practice to improve practices across the full soy supply chain.





Looking ahead, 2019 and beyond

And as a robust, holistic and sustainable certification standard available today, and as a global multistakeholder platform for sustainable soy, RTRS enters 2019 as a vital player, ready to seize the challenge and effect global change across one of the world's most important markets. Supply of RTRS soy is now consistent and able to meet the most demanding markets. This ability to become the sectors primary supplier of responsible soy will be one of the keys to unlock RTRS' full potential in 2019 and beyond.

We welcome new team members at the RTRS Secretariat. Ingrid Korn, Administration Officer based in Zurich, Switzerland and **Ana Andreani**, Technical Unit Officer, focused on the RTRS certification and verification system follow up.

Additionally, **Ariane Louwaege**, RTRS European External Consultant, focused on engagement and market development in Europe.

Ingrid, Ana and Ariane, join the RTRS team which includes Executive Director **Marcelo Visconti**; Communication Unit Leader **Laura Villegas**, Technical Unit Leader **Daniel Kazimierky**, Communication Analyst **Mariana Aguilar**, and Brazilian External Consultant **Cid Sanches**.