



ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

Minutes No. 135 of the Executive Board Meeting held on

Thursday, 22 February 2017, 12 CEST (08:00 San Pablo time), in Sao Paulo (Brazil), at Rabobank's offices (in accordance with article 16, section [1] of the RTRS Statutes)

Agenda:

1. Ongoing Legal Matters Report.
2. Approval of Minutes No. 134.
3. Approval of the Amended and Restated Statutes Draft.
4. Approval to initiate process to achieve ISEAL membership.
5. Mass Balance Process Status.
6. Update on LIDL.
7. Any other business and closing.

A. Introduction

The meeting of the Executive Board of Directors of the Round Table on Responsible Soy Association (RTRS) starts at 12.00 CEST (08:00 Sao Paulo time).

Physical Participants:

RTRS Executive Board members:

- Olaf Brugman, Rabobank (constituency: Industry, Trade and Finance):
olaf.brugman@rabobank.com
- Ulises Javier Martinez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): ulises.martinez@vidasilvestre.org.ar
- Débora Florencia Telles, Nidera S.A. (constituency: Industry, Trade and Finance): dtelles@nidera.com.ar
- Oswaldo de Carvalho Junior, Earth Innovation Institute (constituency: Civil Society Organizations): ocarvalho@earthinnovation.org
- Alex Ehrenhaus, Solidaridad (constituency: Civil Society Organizations): alexe@solidaridadnetwork.org
- Juliana De Lavor Lopes, Amaggi (constituency: Producers): juliana.lopes@amaggi.com.br
- Gisela Introvini, FAPCEN (constituency: Producers): giselaintrovini@hotmail.com



Gotomeeting Participants:**RTRS Executive Board members:**

- Belinda Katharine Howell, RSG (constituency: Industry, Trade and Finance): belinda.howell@rpog.org
- Sandra Mulder, WWF alternate for Jean-François Timmers (constituency: Civil Society Organization): smulder@wwf.nl

RTRS Secretariat:

- Marcelo Visconti, RTRS Executive Secretary: marcelo.visconti@responsiblesoy.org
- Daniel Kazimierski, RTRS Secretariat: daniel.kazimierski@responsiblesoy.org
- Fernando Olivieri, RTRS Secretariat: fernando.olivieri@responsiblesoy.org
- Laura Villegas, RTRS Secretariat: laura.villegas@responsiblesoy.org

Special guests invited:

- Federico Otero, Legal Advisor Argentina: federico.otero@trsym.com
- Enrique Molas, RTRS External Consultant Paraguay: enrique.molas@responsiblesoy.org
- Lieven Callewaert, RTRS External Consultant Europe: lieven.callewaert@responsiblesoy.org
- Cid Sanches, RTRS External Consultant Brazil: cid_sanches@yahoo.com.br
- Sebastien Haye, e4tech: sebastien.haye@e4tech.com
- Jean-Clement Leyat, ACT: jcleyat@group-act.com

Olaf Brugman, member of the RTRS Executive Board, welcomes the participants to the Executive Board meeting. The agenda is presented and participants are asked whether any additional topics should be included. The meeting begins.

B. Quorum and Proposals

The Executive Secretary ascertains that the quorum required to validly pass resolutions has been reached. The Executive Board considers the following items on the agenda:

1. *Ongoing Legal Matters Report.*

The Ongoing Legal Matters Report is reviewed page by page.

Federico Otero presents to the Executive Board a report on the status of the ongoing legal matters of the Association. After that, Marcelo Visconti and Federico Otero provide the Executive Board with an update on the status of the ongoing audit process over the association's accounting and tax situation and processes.

Marcelo Visconti proposes to approve the fee proposal provided by the Zurich office of KPMG AG for the preparation of a report on the subject matter analyzing the current situation and providing with recommendations on potential action plans.

In the absence of any objections, Olaf Brugman confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

"To approve the engagement of KPMG AG and the fees proposal submitted and to instruct the Treasurer to execute any documents necessary for implementation of this resolution (by consensus)."

2. *Approval of Minutes No. 134.*

Minute No. 134 are reviewed page by page.

In the absence of any objections, Olaf Brugman confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

"The Executive Board meeting minutes No. 134 of the RTRS Executive Board are approved (by consensus)."

3. *Approval of the Amended and Restated Statutes Draft.*

Federico Otero presents the topic. Federico Otero states that together with Swiss Legal Advisor and the RTRS Secretariat, they have worked in a draft version of the Statutes. Federico Otero explains the draft distributed incorporates the comments provided by the Executive Board and discussed during the meeting held to such purpose on January 25, 2017.

Marcelo Visconti clarifies that Article 3, Article 34, 35 and 36 and provisions relating to membership fees of the Statutes that will not be discussed during this meeting due to their strategic and operational nature, the discussion and approval of which will be deferred to the next Executive Board meeting.

Federico Otero presents a summary of the changes introduced in this draft compared to the Statutes currently in force and different alternatives for the resolution making process both at the Executive Board level and at the General Assembly level. Federico Otero also



explains that, as requested by the members of the Executive Board who attended the meeting held on January 25, 2017, all of the options for the resolution making process are ISEAL compliant.

After a debate, the members of the Executive Board agree that any option selected shall be aimed at maintaining consensus and that consensus shall be a priority in resolution making processes of a multi stake holder organization. In light of these conclusions, Alex Ehrenhaus and Debora Telles propose: (i) to approve the draft of the amended and restated statutes distributed, (ii) to approve Option No. 1 for the resolution making process modified in order to increase to 2/3 (two-thirds) the threshold required for the exercise of the veto right by a constituency, and (iii) to approve the procedure proposed for the adoption of resolutions by RTRS members without the need of holding a physical meeting modified in order to require the unanimous approval by all the members of the Executive Board for a resolution to be submitted to the approval of the members under this procedure (member's resolution without a physical meeting).

In the absence of any objections, Olaf Brugman confirms that the resolutions are approved by the Executive Board.

The RTRS Executive Board resolves the following:

"To approve the draft of the amended and restated statutes distributed (by consensus)."

"To approve Option No. 1 for the resolution making process modified in order to increase to 2/3 (two-thirds) the threshold required for the exercise of the veto right by a constituency (by consensus)."

"To approve the procedure proposed for the adoption of resolutions by RTRS members without the need of holding a physical meeting modified in order to require the unanimous approval by all the members of the Executive Board for a resolution to be submitted to the approval of the members under this procedure (member's resolution without a physical meeting) (by consensus)."

4. *Approval to initiate process to achieve ISEAL membership.*

Sebastien Haye and Sandra Mulder join the meeting by telephone conference (Gotomeeting).

Sebastien Haye explains the situation and status of RTRS regarding the ISEAL's requirements to become a member. Sebastien Haye presents the working plan and the costs for a four-year plan in order to accomplish being a full ISEAL member.

Olaf Brugman expresses that ISEAL has been in the agenda for many years and remarks that it is important to show results to the RTRS members regarding this topic. Alex Ehrenhaus and Juliana de Lavor Lopes support this motion.

Marcelo Visconti proposes to include: (i) ISEAL's membership process in the RTRS annual budget to be presented in the next Executive Board meeting, and (ii) related costs with it.

Juliana de Lavor Lopes suggests RTRS going for a first stage to apply for an Associate Membership, and then analyze to move to another membership category.

Marcelo Visconti and Daniel Kazimierski comment that they will analyze this option.

Alex Ehrenhaus supports to move forward, he refers that many members of RTRS are expecting the ISEAL membership.

The RTRS Executive Board resolves the following:

"The filing of an application by RTRS in order to become an ISEAL member is approved (by consensus)."

5. *Mass Balance Process Status.*

Given time constraints the members decide to postpone the discussion on this item of the Agenda.

6. *Update on LIDL (ACT' proposal).*

The Executive Board members agree to allow ACT to participate in the Executive Board physical meeting as special guest.

Jean Clement Leyat joins the physical meeting to present ACT to the Executive Board. It consists of a proposal to perform a role of the Clearinghouse, in order to be the link between buyers and sellers regarding RTRS' credits.

Jean Clement Leyat explains that the ACT does not ask for exclusivity and that other companies providing these services shall be allowed to join, and in that case, RTRS should regulate the dynamic of the service, establish the rules and costs.

Alex Ehrenhaus requests ACT to provide a model with high level of precision on how it will work; and how RTRS members will be guided towards ACT system.

Jean Clement Leyat affirms that the operations will occur in the RTRS' Trading Platform

Juliana de Lavor Lopes says that RTRS should clarify its role because Non-GM is not only premium; and that RTRS should not have the responsibility about that contract for Non-GM trading because Non-GM cannot be guaranteed one year to another. She states that RTRS shall not be responsible for the delivery of Non-GM.

Olaf Brugman asks if there is something else that ACT needs from RTRS, and also if ACT will charge any amount to RTRS.

Jean Clement Leyat answers that ACT needs to be part of the meetings and be involved with the information: volume of credits, region, etc. He comments that as there will not be

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any financial operation between RTRS and ACT, the company will not invoice anything to RTRS.

Gisela Introvini comments that it is a positive moment for having these kind of tools to incentivize the growers and technology development.

Olaf Brugman proposes to mandate the RTRS Secretariat -coordinated by the Executive Director- to: (a) develop a solution; (b) continue conversations with ACT, and other members; (c) work on ACT's proposal; (d) and make sure this Clearing House project will be accessible and available for all RTRS members.

In the absence of any objections, Olaf Brugman confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

"To mandate the RTRS Secretariat -coordinated by the Executive Director- to: (a) develop a solution; (b) continue conversations with ACT, and other members; (c) work on ACT's proposal; (d) and make sure this Clearing House project will be accessible and available for all RTRS members."¹

7. *Any other business and Closing.*

The meeting is closed at ☐ CEST (☒ San Pablo time)².

February 22th, 2017


Olaf Brugman

RTRS Executive Board member


Marcelo Visconti

Executive Secretary of RTRS

¹ To be confirmed.

² Please provide.