



Round table on responsible soy association (RTRS)

Minutes No. 145 of the Executive Board Meeting held on

Wednesday, October 18, 2017, 14:00 CEST via telephone conference (in accordance with article 21, section [1] of the RTRS Statutes).

Agenda:

1. Approval of the Executive Board Meeting Minutes No. 144 and Minutes No. 142 of the 11th General Assembly.
2. Resignation of Debora Florencia Telles to the Executive Board representing Nidera (a member of Cofco International) and agreement about the call to fill the vacant position in the Industry, Trade and Finance constituency.
3. Approval of the extension of the Credit validity for producers.
4. Contract with Chainpoint analysis and preliminary conclusions and equivalencies/Soy Calculator analysis and preliminary conclusions.
5. Clube Amigos da Terra (CAT) - Credits Trading and guarantee to certified producers.
6. EU RED for biofuels Module: approval of the changes required for RTRS to be re-recognized by EU RED.
7. Approval of non-Paraquat Module.
8. Update on the status of RTRS New Products: non-Paraquat/non-GMO/National/Regional/Site Mass Balance proposal.
9. Approval of the Europe Outreach & Engagement Manager Job Description.
10. "Cerrado Manifesto": Approval of the RTRS Statement.
11. Approval of RT13 Title and Tagline.
12. Update on RT13.
13. Update on RTRS communications.
14. Update on Itaipú project.
15. Wrap up Brazil meetings.
16. Wrap up Argentina meetings.
17. Approval of the Budget 2018.
18. Approval of (i) the financial statements of the representation in Argentina of RTRS for the fiscal year ended December 31, 2016; and (ii) the financial statements of RTRS for the fiscal year ended December 31, 2016.
19. Update on KPMG Activities.



ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

UTOQUAI 29/31 | 8008 ZURICH, SWITZERLAND

20. Approval of the New Group Certification requirements
21. SLC Report: Deforestation approval of the action plan.
22. Update on the analysis hotspots Brazil/Brazil Maps and update on the Grievances Committee.
23. Compensation mechanism. "Kick-off case".
24. September KPI's.
25. Any other business and closing.

Introduction

The meeting of the Executive Board of Directors of the Round Table on Responsible Soy Association (RTRS) starts at 14:00 CEST time.

Participants:

RTRS Executive Board members:

- Jochem Bouwmeester, Rabobank (constituency: Industry, Trade and Finance):
jochem.bouwmeester@rabobank.com
- Christophe Callu Mérite, FEED ALLIANCE (constituency: Industry, Trade and Finance): christophe.callumerite@feed-alliance.fr
- Belinda Katharine Howell, RSG (constituency: Industry, Trade and Finance):
belinda.howell@rpog.org
- Lieven Callewaert, ACT Commodities (constituency: Industry, Trade and Finance): lieven.callewaert@soy4brands.org
- Jean François Timmers, WWF (constituency: Civil Society Organizations):
jeantimmers@wwf.org.br
- Ulises Javier Martinez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): ulises.martinez@vidasilvestre.org.ar
- Pramel Kumar Gupta, VRUTTI (constituency: Civil Society Organizations):
pramel@vrutti.org
- Juliana De Lavor Lopes, AMAGGI (constituency: Producers):
juliana.lopes@amaggi.com.br
- Gisela Introvini, FAPCEN (constituency: Producers):
giselaintrovini@hotmail.com
- Marina Born, CALDENES (constituency: Producers):
marina.engels@responsiblesoy.org

Handwritten signatures in blue ink.



ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

UTOQUAI 29/31 | 8008 ZURICH, SWITZERLAND

- Cristina Delicato, ASSOCIAÇÃO AMIGOS DA TERRA (constituency: Producers). Alternate for: Darci Getulio Ferrarin Junior: ferrarinjr@hotmail.com
- Alejandro José O'Donnell, AAPRESID (constituency: Producers): alejandro@fronterasrl.com.ar

RTRS Secretariat:

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

Special guests invited:

- Cid Sanches, RTRS External Consultant Brazil: cid_sanches@yahoo.com.br
- Enrique Molas, RTRS External Consultant Paraguay: enrique.molas@responsiblesoy.org
- Sebastien Haye, e4tech: sebastien.haye@e4tech.com

Marina Born, President of the RTRS Executive Board, chairs the meeting and welcomes the participants to the Executive Board meeting. The agenda is presented and participants are asked whether any additional topics should be included. No other topics are included. The meeting begins.

A. 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. *Approval of the Executive Board Meeting Minutes No. 144 and the Minutes No. 142 of the 11th General Assembly.*

Minutes No. 144 are reviewed page by page.

Jochem Bouwmeester requests to add his name in page 9 of the minutes where it says “*Christophe Callu Mérieu welcomes and supports 5 years validity for credits owned by producers’ alternative*” in order for the minutes to reflect the fact that he also supported the motion.

Handwritten signature/initials in blue ink.



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

The RTRS Executive Board resolves the following:

“The Executive Board meeting minutes No. 144 are approved (by consensus).”

Minutes No. 142 of the 11th General Assembly are reviewed page by page.

Christophe Callu Mérite informs about the resignation of his Alternate representing Feed Alliance at the RTRS Executive Board.

Marcelo Visconti presents the need to correct two typos on page 6 and page 21 of the Minutes.

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

The RTRS Executive Board resolves the following:

“The General Assembly meeting minutes No. 142 of the 11th RTRS General Assembly are approved (by consensus).”

2. *Resignation of Debora Florencia Telles to the Executive Board representing Nidera (a member of Cofco International) and agreement about the call to fill the vacant position in the Industry, Trade and Finance constituency.*

Marcelo Visconti informs that on October 5th, 2017, RTRS was formally notified of the resignation of Debora Florencia Telles and Nidera (a member of Cofco International) to their seat at the Executive Board.

Christophe Callu Mérite reviews the current composition of the Industry, Trade and Finance constituency and remarks the need of incorporating a Trader as member to fill the vacant position in the Industry, Trade and Finance constituency, in order to reach balance and representativeness, as a factor that could foster RTRS growth.

Marina Born adds that the “ABCD” companies (ADM; Bunge; Cargill and Louis Dreyfus) are all members of RTRS. Marina Born suggests inviting directly these “ABCD” companies to fill the vacant position in the Industry, Trade and Finance constituency, or otherwise inviting the Industry, Trade and Finance constituency members through an open call to apply for the vacant seat at the Executive Board in the Industry, Trade and Finance constituency.

Christophe Callu Mérite asks to invite candidates among the Traders sector and not only among the “ABCD”, inviting other candidates, for example, Groan, Cefetra, Glencore. In addition, Christophe Callu Mérite suggests considering feed/food producers like Unilever, Danone and Nestlé. Christophe Callu Mérite agrees with the idea of inviting Traders directly in the first place, and then, in a second instance, to open a call for the rest of the Industry, Trade and Finance constituency members.

Belinda Howell supports the aforementioned proposal.

Handwritten signature/initials in blue ink.



ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

UTOQUAI 29/31 | 8008 ZÜRICH, SWITZERLAND

The members of the Industry, Trade and Finance constituency agree to develop an action plan following the discussed guidelines in order to fill the vacant position resulting from the resignation of Debora Florencia Telles and Nidera (a member of Cofco International) to their seat at the Executive Board.

3. *Approval of the extension of the Credit validity for producers.*

Laura Villegas presents the proposal of extending to five years the validity of the credits for the producers.

It is explained that during the Executive Board Meeting held on August 14th, 2017, Ulises Martínez presented a proposal which intends to eliminate the expiration date for the credits owned by producers, and which, after a debate among the Executive Board members, was rejected.

As a result, Juliana de Lavor Lopes proposed to extend the validity term for the credits of the producers to 5 years starting from the moment the credits are registered in the RTRS Trading Platform.

Taking into consideration the current credit validity procedure and, in order to implement this proposal, the following resolutions must be passed:

- the validity of the credits issued after December 31st, 2015, will be extended for a five-year term starting from the moment the production is registered in the RTRS Trading Platform.
- all the credits issued before January 1st, 2016 will expire on December 31st, 2020.

Christophe Callu Mérite remarks that the signal should be mainly put to the demand side, not only the production. In addition, Christophe Callu Mérite stresses that by extending the credit validity there would be a risk of losing the link with (i) the market, (ii) the physical soy that is annual based, (iii) the reality of the market, and (iv) the real behavior of the sale and purchase of soy, that is produced on a yearly basis. Every year, every crop, the harvest should be reset to zero, starting the process again.

Christophe Callu Mérite also mentions that RTRS has to state that this is not a resolution only taken to protect the producers' interests, as RTRS could risk being identified as a producer association only instead of as a multi-stakeholder one.

Lieven Callewaert points out that if the demand of RTRS soy increases there will be no further problems regarding the validity, and agrees with the concern raised by Christophe Callu Mérite in connection with the link with the physical market if the date is extended for a long period of time. As a result, Lieven Callewaert asks for a middle-ground alternative between the two-year term validity currently in place and the five-year term validity proposed.

Juliana de Lavor Lopes comments that the five-year term proposal is a middle ground alternative.

Handwritten notes:
DJS
Hsk



Belinda Howell supports the five-year term validity for credits owned by producers, although she shares Christophe Callu Mérite and Lieven Callewaert point of view regarding the potential risk of losing the connection with the physical market. Belinda Howell explains that RTRS should avoid positioning producers in a situation where their credits may expire and thus decide to abandon RTRS certification.

Marina Born adds that from the producers' point of view their objective is always to sell the credits as soon as possible and at a good price, and thus, extending the credit validity term should not result in the producers waiting for five years to sell their credits. Marina Born stresses that there is an issue concerning the demand of the credits and extending the expiration date could solve the issue producers are currently facing.

Lieven Callewaert mentions that five years validity could cause that once the demand starts increasing producers can decide not to sell thereby increasing the prices. Lieven Callewaert asks to put a note stating that the resolution will be reviewed.

Juliana de Lavor Lopes comments that she believes the demand issue will be solved and the extension of the credits validity term will no longer be necessary if RTRS manages to create incentives for an increase in the demand. As of today, however, RTRS is still waiting for demand and Mass Balance is not developing as needed, and adds that in fact, Mass Balance level is below the one of the previous year.

Marina Born suggests to approve the five years validity term as a solution towards the current demand situation; and to revise the resolution periodically in order to effectively act towards future supply/demand behavior and eventually return to the original two-year term validity when it is verified that the sales are occurring at a faster pace.

Christophe Callu Mérite asks to have regular meetings to discuss validity dates to avoid over stock of RTRS soy, and requires adding a note stating that it will be reviewed on a yearly basis.

Supporting Christophe Callu Mérite concerns, Jochem Bouwmeester mentions that is important to clearly understand the quantity of credits that are not being sold, and how demand is developing, and asks for the numbers in the KPI's.

In view of the request, Marcelo Visconti proposes to address at this point item No. 24 of the agenda and proceed with an update of the KPI's.

Marcelo Visconti presents the KPI's and specially focuses on the sales Year To Date (1st January – 30th September).

Marcelo Visconti adds that the Secretariat is working very hard with Chainpoint in order to include in the Trading Platform an automatic expiration feature in order to avoid the accumulation of credits that are no longer valid.

Lieven Callewaert, supporting Jochem Bouwmeester, asks to have a slide in the KPI's report showing the credits still in stock in the Platform; not only the ones corresponding to producers but also those of the Traders.

Jochem Bouwmeester adds that the more information that is possible to get out of the Trading Platform the better. This would be as relevant as in financial figures, where stock and prices are

AS MBK



detailed on a monthly basis, in order to have an insight if what is going on in the RTRS Trading Platform, and explains that such information will be helpful for purposes of providing meaningful opinions.

Marcelo Visconti confirms that the Secretariat will work on an improved way to present the figures asked. Marina Born suggests working in deep in the issue with Jochem Bouwmeester and Lieven Callewaert.

After having received the requested information on the KPIs and in the absence of any objections, Marina Born confirms that the resolution is approved by the Executive Board.

The RTRS Executive Board resolves the following:

- a) the validity of the credits issued after December 31st 2015, will be extended to 5 years from the moment the production is included/registered in the RTRS Trading Platform.
- b) the credits issued before January 1st, 2016 will expire on December 31st, 2020
- c) these resolutions will be revised on a yearly basis in order to reach an adequate balance between the supply and demand behaviors.

4. *Contract with Chainpoint analysis and preliminary conclusions and equivalencies/Soy Calculator analysis and preliminary conclusions.*

Christophe Callu Mérite shares a presentation about the Chainpoint application in order to be able to discuss new alternatives and decide on the best option.

Christophe Callu Mérite mentions that RTRS is working on new software developments with Chainpoint but it is important first to decide if Chainpoint is the adequate option.

Christophe Callu Mérite makes a revision about Chainpoint role and mentions that RTRS has to analyze if it is the correct partner for RTRS project of selling credits, the priorities for the next two years, and adds he found Chainpoint's yearly cost high and requests to work harder on a new fee agreement.

Christophe Callu Mérite talks about: (i) low trade activities registered when considered in relation to the volumes offered; (ii) the lack of flexibility as to the financial aspects of the credits trading (e.g.: currency; payments periods, etc.); (iii) low marketing actions around the trading platform that RTRS can no longer perform but need to be conducted by someone else in view of the market need for such service, in order to avoid the risk that the market would choose other schemes; (iv) lack of new or extra functions/futures to offer in the trading platform; (v) some new solutions, for example, the umbrella solution (the "Umbrella Solution"), that should be analyzed in terms of transparency and should be compared with other platforms of other round tables.

Lieven Callewaert adds the Umbrella Solution was developed as an extra function to allow RTRS stakeholders to operate under the new rules of the market (e.g. GMP+ International). Lieven Callewaert mentions the importance of differentiating the IT aspect of the trading platform that

Handwritten signature in blue ink, possibly reading "AS" or "ASB".



was developed to trace and register the transactions in the platform, and on the other hand the real trade that may take place off-line by direct trade and not through a blind trade.

Christophe Callu Mérite refers to the non-RTRS members trading in the RTRS trading platform. He understands that any actor interested in sustainability and in trading RTRS soy should actually be an RTRS member.

Christophe Callu Mérite suggests asking non-RTRS member organizations to explain about the way in which they are using the trading platform. Christophe Callu Mérite also states that RTRS should in the future require all users of the trading platform to become members.

Christophe Callu Mérite explains it is necessary to work on demand. He further explains that ACT Commodities has developed a model that is making business showing flexibility, and states that it could be a clever option to help to create RTRS demand growing. Christophe Callu Mérite states that RTRS should support initiatives that fosters the development of the demand and promote them among potential users of the service.

Marina Born mentions that ACT Commodities is already working with RTRS Members.

Christophe Callu Mérite suggests making the initiative official; as a service provider bringing agility to the market. Christophe Callu Mérite states, however, that this kind of decision needs to be further discussed in deep and face to face before adopting any resolution.

Lieven Callewaert suggests the Executive Board Working Group to work on the rules to be developed for the use and users of the RTRS trading platform and then inform to the market.

Marina Born suggests the Executive Board Working Group to prepare a proposal including the action points around the new rules for the RTRS trading platform users and about ACT Commodities role towards the market.

Christophe Callu Mérite proposes to hold deeper discussions about this subject during face to face meetings and mentions that certain resolutions might also need to be presented during the next General Assembly for approval.

The RTRS Platform Working Group agrees to hold a meeting to come to a proposal to be presented to the Executive Board to work on and decide next steps and action points around the Trading Platform players and RTRS market fosterers such as ACT Commodities and other potential RTRS service providers.

Marcelo Visconti mentions that the Secretariat is working on equivalencies/conversion factors topic in order to adequate the RTRS Soy Footprint Calculator and will present its preliminary conclusions during the next Executive Board Meeting.

Marcelo Visconti mentions the importance of changing the current RTRS credit definition that states that 1 (one) credit is equivalent to 1 (one) ton of soybean or any sub-product in order to be accurate regarding the soy footprint.

Christophe Callu Mérite states that this approach is a real link to market.

Jean F. Timmers asks to consider conversion factors for Salmon industry in order to facilitate the calculation for credit buyers. Marcelo Visconti agrees with the comment and mentions that

Handwritten notes in blue ink: "AS" and "MBC" with a checkmark.



RTRS has been contacted by representatives of the fish industry, which mainly uses lecithin, as the industry is asked to cover their soy foot print with certified soy.

5. *Clube Amigos da Terra (CAT) - Credits Trading and guarantee to certified producers.*

Cristina Delicato expresses CAT concerns about the difficulties they have to sell the credits and asks about the guarantees the producers have once they get the certificates.

Marina Born mentions all the actions being conducted to drive demand and stresses that it is not possible to talk about guarantees. In addition Marina Born says that the producer has also an important role in terms of getting to sell the credits.

Marina Born and Cristina Delicato agree on having an off-line conversation to talk about this issue and work collaboratively on solutions.

Lieven Callewaert proposes to have a conversation as well.

6. *EU RED for biofuels Module: approval of the changes required for RTRS to be re-recognized by EU RED.*

Marcelo Visconti introduces EU RED Module, the re-approval process status and informs that after one year of work, the European Commission confirmed the Secretariat that in two weeks, RTRS will obtain the re-recognition.

Daniel Kazimierski presents the status of the EU RED for biofuels Module recognition approval and informs that the changes required for RTRS to be re-recognized by EU RED should be approved by the Executive Board.

Daniel Kazimierski explains that the changes drafts have already been approved by the European Commission and stresses that they are mandatory in order to remain recognized by the EU RED. Daniel Kazimierski indicates that the changes will only affect the certifications under the EU RED scope.

Jean F. Timmers informs WWF will abstain from voting on the resolution due to the complexity and extension of the material presented to be analyzed; and proposes to think in a better and more efficient process in order to facilitate participation and approval dynamic.

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

The RTRS Executive Board resolves the following:

“EU RED Module is approved (by consensus).”

7. *Approval of non-Paraquat Module.*

Jimena Frojan presents the non-Paraquat Module.

As of June 1st, 2017, RTRS moved to Version 3.1 of its standard for responsible soy, with the addition of new indicators pertaining to the use of Paraquat in the production of soy by RTRS certified producers.

Handwritten signatures in blue ink:
JTS
MBC



Also from this date, in countries where Paraquat can be used legally in agricultural production, producers are required to implement a program of progressive reduction of Paraquat over time. The implemented Integrated Crop Management Plans requires producers to have specific reduction targets for Paraquat and its phase out, which shall be implemented as soon as possible and not later than 2020. The use of Paraquat is prohibited from January, 2021 onwards. From the date on which all approvals required by RTRS Statutes are obtained, until December 2020, RTRS will also have a non-Paraquat module during this phase out period that will allow producers to own and offer non-Paraquat credits to buyers willing to support non-Paraquat responsible production.

The non-Paraquat Module is a voluntary add-on to the existing RTRS Standard for Responsible Soy Production v3.1. As such, all Principles, Criteria and Indicators must be met and complied with as well as all requirements currently set forth in the RTRS Verification and Accreditation System for responsible soy production and those to be incorporated and/or amended for the new module to be implemented.

Regarding the Verification requirements Jimena Frojan presents three alternative methodologies:

Verification Option	Considerations
1-Auditors shall check and verify the use of Paraquat with company and stakeholders (e.g. RSPO next).	To consult companies that commercialize the products to the producers: no link between the company and RTRS that obliges to report this. To know previously products bought and from which companies.
2-The presence of Paraquat is tested by the producer and residue levels are negligible	Tests for each farm with accredited labs. Many checks and can have different residues Lack of accredited labs (Brazil 2 labs) Lab costs
3-Paraquat use records and interviews with agrochemicals handlers confirm there is no use of Paraquat	Check the agronomic prescriptions, service orders for application, invoices for purchase of products, documents that must be kept on the farm in case of inspections, in addition to field interviews with the applicators and preparers. Audit time increase

Jimena Frojan explains that option 1 and 2 are high level verification requirements not feasible in practical terms and/or that would require accredited laboratories which will increase the cost of the certification, whereas option 3 is the one RTRS is currently asking for to verify the use of other agrochemicals that are banned under the RTRS standard and will not increase the auditing time.

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

Handwritten signatures in blue ink: "HIS" and "Bk".



The RTRS Executive Board resolves the following:

"Paraquat Module voluntary add-on to the existing RTRS Standard for Responsible Soy Production v3.1.

is approved (by consensus)."

"Validation method to confirm there is no use of Paraquat in soy production option 3 (Paraquat use records and interviews with agrochemicals handlers) is approved (by consensus)."

8. *Update on the status of RTRS New Products: non-Paraquat/non-GMO/National/Regional/Site Mass Balance proposal.*

An update on the status in the development of the remaining new products is provided to the Executive Board and the members decide to move to the next item in the Agenda.

9. *Approval of the Europe Outreach & Engagement Manager Job Description.*

Marcelo Visconti says there were more than 50 postulations received for the position Europe Outreach & Engagement Manager based on the job description published.

Jochem Bouwmeester asks to receive a short list of 10 candidates. The Working Group will shortlist candidates and circulate the list within European Executive Board members.

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

The RTRS Executive Board resolves the following:

"To ratify the Europe Outreach & Engagement Manager Job Description (by consensus)."

10. *Cerrado Manifesto: Approval of the RTRS Statement.*

Belinda Howell introduces the Cerrado Manifesto topic. Belinda Howell explains the context and the actors involved: Retailers Soy Group (RSG), Consumer Good Forum (CGF), the Collaboration for Forests and Agriculture (CFA) and RTRS, and mentions the importance for RTRS to state a position about the Manifesto. Belinda Howell states that RTRS is a tool to accomplish the Cerrado Manifesto statements.

Jean F. Timmers explains the Cerrado Manifesto is a conversation that started after the Soy Moratorium in the Amazon. Is a consensus initiative of more than 60 organizations. Jean F. Timmers says that the first message of the Manifesto is to move faster as the Cerrado is dying and the second one is very positive, as there are possibilities to expand soy production not converting or deforesting.

Jean F. Timmers says WWF is working on having an own statement affirming RTRS is a practical solution and a key instrument to enable and implement the Cerrado Manifesto, and allows RTRS to include a quotation on his behalf in the RTRS release.

Christophe Callu Mérite affirms RTRS has to speak on this and spot it, and also to make a declaration on this.

Handwritten signatures in blue ink at the bottom left of the page.



Belinda Howell asks to have a press release to send as soon as possible; Belinda Howell says she will comment on the statement.

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

The RTRS Executive Board resolves the following:

“To state RTRS is the key tool and solution to enable and implement the Cerrado Manifesto (by consensus).”

“To approve the Cerrado Manifesto statement (by consensus).”

11. Approval of RT13 Title and Tagline.

Belinda Howell suggests working further on the working material received. Belinda Howell proposes to set up a call to work on this. Lieven Callewaert agrees.

Laura Villegas stresses that during the Executive Board Meeting held on August 14, 2017, the core message “Commitments” was approved to start communicating and therefore the first communications have been performed under a neutral conference identity: Save the Date and first call for sponsors.

Marcelo Visconti explains that it is possible for the Executive Board to mandate a smaller Working Group to decide on RT13 title and tagline.

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

The RTRS Executive Board resolves the following:

“To delegate on Marketing and Communication working group the decision on the RT13 Title and Tagline (by consensus).”

12. Update on RT13.

An update is provided on the status of RT13. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

13. Update on RTRS communications.

An update is provided on the RTRS communications. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

14. Update on Itaipú project.

An update is provided on the status of the Itaipú project. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

15. Wrap up Brazil meetings.

Handwritten signatures in blue ink, including what appears to be 'AS' and 'MBC'.



A summary on the meetings held in Brazil since the last Executive Board meeting is provided. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

16. Wrap Argentina meetings.

A summary on the meetings held in Argentina since the last Executive Board meeting is provided. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

17. Approval of the Budget 2018.

Marcelo Visconti refers to the Budget 2018 and mentions that was presented to Marina Born and Alejandro O'Donnell in a previous meeting, who agreed on the Budget.

Jochem Bouwmeester asks about the extraordinary expenses comparing 2017 and 2018. He mentions that for 2018 the Extraordinary Expenses are in zero, and asks what is considered as extraordinary expense and if it is realistic to put them at zero. He also asks if the implementation plan for RTRS tax and accounting situation will be completed by the end of 2017.

Marcelo Visconti explains that the extraordinary expenses were related to the implementation plan for RTRS tax and accounting situation. Even though the whole plan may not be completed by 2017, the related expenses will be estimated and accrued this year.

Jochem Bouwmeester asks about the increase in the certification fees. Marcelo Visconti explains the increase is considering the 2017 RTRS members that will not buy this year but they will in 2018.

Belinda Howell as Vice-President takes the lead of the Executive Board Meeting and confirms that in the absence of any objection the resolution is approved by consensus.

The RTRS Executive Board resolves the following:

"To approve Budget 2018 (by consensus)."

18. Approval of (i) the financial statements of the representation in Argentina of RTRS for the fiscal year ended December 31, 2016; and (ii) the financial statements of RTRS for the fiscal year ended December 31, 2016.

Marcelo Visconti introduces the financial statements. Marcelo Visconti explains that both financial statements are in line with the Swiss Code of Obligations (CO), as well as the Argentine and Swiss legislation, and have included KMPG recommendations for the setup of the association.

Belinda Howell confirms that in the absence of any objection the resolution is approved by consensus.

The RTRS Executive Board resolves the following:

Handwritten signature: *AS H36*



"To approve (i) the financial statements of the representation in Argentina of RTRS for the fiscal year ended December 31, 2016; and (ii) the financial statements of RTRS for the fiscal year ended December 31, 2016 (by consensus)."

19. Update on KPMG Activities.

Marcelo Visconti provides the Executive Board with an update on KPMG activities. Since no questions are posed on the subject the members of the Executive Board decide to move to the next item in the Agenda.

20. Approval of the New Group Certification requirements.

Cid Sanches introduces the Group Certification new requirements proposal. Cid Sanches explains that this group started working on the topic in order to improve the accuracy and transparency of the RTRS certification process.

The new requirements pointed to improve aspects linked to:

- Changes in the group composition.
- Limit to the number of producers in each group.
- Next steps to be discussed with certification bodies.

21. SLC Report: Deforestation approval of the action plan.

Due to the lack of time, the members of the Executive Board decide to differ this item for the next Executive Board meeting.

22. Update on the analysis hotspots Brazil/ Brazil Maps and update on the Grievances Committee.

Due to the lack of time, the members of the Executive Board decide to differ this item for the next Executive Board meeting.

23. Compensation mechanism. "Kick-off case"

Due to the lack of time, the members of the Executive Board decide to differ this item for the next Executive Board meeting.

24. Any other business and closing.

The Executive Board agrees there are no further topics to be discussed.

The meeting is closed at 19:00 CEST time.

October 18, 2017.

Marina Born

President of RTRS Executive Board

Marcelo Visconti

Executive Secretariat of RTRS