



ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)

UTOQUAI 29/31 | 8008 ZURICH, SWITZERLAND

Minutes No. 157 of the Executive Board Meeting held on

Tuesday, December 11, 2018, 14:00 to 17:00 CET time (in accordance with article 21, section [1] of the RTRS Statutes).

Agenda:

1. Approval of the Executive Board Meeting Minutes No. 156.
2. Approval of the proposal for the Group Certification assessment in Brazil.
3. RTRS Jurisdictional Certification – Pilot Project MATOPI.
4. Approval of the press release: RTRS 2018 Balance.
5. RT14 agenda: approval of topics and messages.
6. Approval of RT14 registration fees.
7. November Key Performance Indicators (KPIs).
8. Revision of the resolution passed on the Executive Board meeting held on October 18, 2017, regarding the validity term of the credits.
9. Any Other business.
10. Closing.

A. Introduction

The meeting of the Executive Board of the Round Table on Responsible Soy Association (RTRS) starts on Tuesday, December 11, 2018 at 14:00 CET time.

Participants:

RTRS Executive Board members:

- Belinda Katharine Howell, RSG (constituency: Industry, Trade and Finance): belinda.howell@rpog.org
- Jochem Bouwmeester, Rabobank (constituency: Industry, Trade and Finance): jochem.bouwmeester@rabobank.com
- Jorn Jasper Schouten, ACT Commodities (constituency: Industry, Trade and Finance): JSchouten@actcommodities.com
- Lieven Callewaert, Alliance 4 Soy, (constituency: Industry, Trade and Finance): lieven.callewaert@soy4brands.org
- Cristina Delicato, ASSOCIAÇÃO AMIGOS DA TERRA (constituency: Civil Society): cristinadelicato@terra.com.br
Alternate for: Darci Getulio Ferrarin Junior: ferrarinjr@hotmail.com
- Gisela Introvini, FAPCEN (constituency: Producers): giselaintrovini@hotmail.com



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- Alejandro José O'Donnell, AAPRESID (constituency: Producers): alejandro@fronterasrl.com.ar
- Oswaldo de Carvalho Junior, Earth Innovation Institute (constituency: Civil Society Organizations): ocarvalho@earthinnovation.org
- Pramel Gupta, Vrutti (constituency: Civil Society Organizations): pramel@vrutti.org
- Ulises Javier Martinez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): ulises.martinez@vidasilvestre.org.ar
- Hernán Zunino, The Nature Conservancy (TNC), (constituency: Civil Society Organizations): hernan.zunino@tnc.org

RTRS Secretariat:

- Marcelo Visconti, RTRS Executive Director: marcelo.visconti@responsiblesoy.org
- Laura Villegas, RTRS Secretariat: laura.villegas@responsiblesoy.org
- Daniel Kazimierski, RTRS Secretariat: daniel.kazimierski@responsiblesoy.org
- Ana Andreani, RTRS Secretariat: ana.andreani@responsiblesoy.org

Special guests invited:

- Cid Sanches, RTRS External Consultant: cidsanches64@gmail.com
- Federico Otero, RTRS Argentine Legal Counsel: federico.otero@trsym.com
- James Allen, Olab: james@olab.com.br

Ulises Javier Martinez Ortiz, Vice-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.

Jochem Bouwmeester takes the floor and suggests that the system GoToMeeting, which is currently being used to host the Executive Board meetings' conference calls, should be replaced by another one due to the systematic technical problems being experienced. He



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further states that, in the future, Rabobank will not participate in any Executive Board meeting held by conference call, unless the current system is changed. The RTRS Secretariat agree to change the system for the next Executive Board meeting which will be held via telephone conference call.

B. Quorum and Proposals

The Executive Director 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. 156.

Minutes No. 156 are reviewed page by page.

In the absence of any objections, Ulises Javier Martinez Ortiz confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“The Executive Board Meeting Minutes No. 156 are approved (by consensus).”

2. Approval of the proposal for the Group Certification assessment in Brazil.

Daniel Kazimierski explains that the draft of the proposal for the Group Certification assessment in Brazil, attached to the convening notice sent for this Executive Board meeting, was further discussed with Juliana de Lavor Lopes from Amaggi and modified. He further requests Juliana de Lavor Lopes to introduce the main issues of said proposal to the Executive Board members present.

Juliana de Lavor Lopes takes the floor and affirms that the proposal for the Group Certification assessment in Brazil is important to guarantee the RTRS certification process. Bearing this in mind, Juliana de Lavor Lopes suggests repeating the assessment that was carried out back in 2017 in Argentina and recommends starting an action plan with certified groups in Brazil. Juliana de Lavor Lopes further states that this kind of internal assessments can guarantee the credibility of RTRS and assure the organization is going the right direction.

Considering the draft sent to the Executive Board members for approval was further changed and new suggestions are being discussed, Daniel Kazimierski explains that the RTRS Secretariat together with the External Consultant in Brazil will support the coordination of the work needed to develop a new proposal to be presented for approval during the Executive Board physical meeting to be held in Brazil on February 20 and 21, 2019.



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Since there are no further comments or questions, Ulises Javier Martinez Ortiz informs that the Executive Board does not approve the resolution.

The RTRS Executive Board resolves the following:

“The proposal for the Group Certification assessment in Brazil is not approved. A new version of the proposal shall be presented for approval during the Executive Board meeting to be held in Brazil on February 20 and 21, 2019 (by consensus).”

3. RTRS Jurisdictional Certification – Pilot Project MATOPI.

Oswaldo de Carvalho Junior refers to the Pilot Project MATOPI and explains it is based on a jurisdictional certification in the Maranhão region that will be introduced during RT14.

Lieven Callewaert supports the approach and expresses he will collaborate with this project.

Since no further comments or questions are posed on the subject, the members of the Executive Board decide to move to the next item in the agenda.

4. Approval of the press release: RTRS 2018 Balance.

Laura Villegas presents the RTRS 2018 Balance.

Lieven Callewaert and Jorn Jasper Schouten suggest that the press release should focus on, and better explain, the reasons why the market should choose RTRS.

Jochem Bouwmeester states that the communication is too extensive.

The Executive Board agrees to focus the communication on positive results such as new buyers and sales of physical flow, amongst others, and instruct the RTRS Secretariat to amend the communication based on the agreed approaches, for it to be distributed by the beginning of 2019.

Since there are no further comments or questions, Ulises Javier Martinez Ortiz informs that the Executive Board does not approve the resolution.

The RTRS Executive Board resolves the following:

“The press release “RTRS 2018 Balance” is not approved. A new version of the communication should be distributed by the beginning of 2019 (by consensus).”

5. RT14 agenda: approval of topics and messages.

The Executive Director introduces James Allen, who presents the RT14 agenda and refers to the list of high-level speakers to be invited to discourse and lead the sessions.

Belinda Howell requests to invite referents of the GTC (*Grupo de Trabalho do Cerrado*) and the SoS (*Statement of Support for the Cerrado Manifesto*) Group.



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Ulises Javier Martinez Ortiz requests to invite speakers from South America and states he will suggest some names.

In the absence of any objections, Ulises Javier Martinez Ortiz confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“To approve the press release: RT14 Agenda (by consensus).”

6. Approval of RT14 registration fees.

Laura Villegas introduces the topic and refers to the chart containing the fees for the registration of the RT14, attached as Annex 6 to the convening notice for this Executive Board meeting.

In the absence of any objections, Ulises Javier Martinez Ortiz confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“To approve the RT14 registration fees (by consensus).”

7. November Key Performance Indicators (KPIs).

Daniel Kazimierski introduces the topic and stresses on some positive results: Mass Balance sales, new members and new buyers.

Jorn Jasper Schouten suggests communicating about new players and buyers who helped to enhance the RTRS certified soy market during 2018.

Since no further comments or questions are posed on the subject, the Executive Board members decide to move to the next item in the agenda.

8. Revision of the resolution passed on the Executive Board meeting held on October 18, 2017, regarding the validity term of the credits.

Marcelo Visconti introduces the topic and informs that it was included in this Executive Board meeting's agenda as per the request of some Executive Board members to resume the discussion of validity term of the credits during the Executive Board meeting held on November 7, 2018. He further reminds the participants that during the Executive Board meeting held on October 18, 2017, the Executive Board members approved to set a five-year term for the expiration of the credits validity and also approved that this term shall be revised on a yearly basis.

Jorn Jasper Schouten states that RTRS needs to be able to explain to the RTRS certified producers that if the validity of the RTRS credits is longer, their price would tend to decrease. Jorn Jasper Schouten suggests going back to the two-year validity term of the credits.



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Lieven Callewaert agrees with Jorn Jasper Schouten's inputs and suggests taking into consideration the RSPO policies in this regard and evaluate the pros and cons before going back to the original two-year validity term of the credits. He further adds that demand should be another aspect to evaluate in order to determine the validity term of the credits.

Jochem Bouwmeester states that the validity term of the credits cannot be changed based on the market situation. He further states that the validity term should be related to the value of the credits, which in his opinion can be determined by either (i) linking the value to the number of tons of soy produced and certified on a yearly basis; or (ii) understanding that the value of the credits represent a compensation for producers who supply sustainable soy.

Ulises Javier Martinez Ortiz states that when the decision to extend the validity term of the credits to five years was taken, the analysis concluded that the expiration date of the validity term of the credits that were in place up to that time was creating speculation about the price of the RTRS certified material. He proposes to analyze this case again based on the credits on stock and their expiration dates to further decide based on such analysis.

Belinda Howell highlights the fact that RSPO is the only standard in the palm oil market, while RTRS competes with other eighty in the soy market. This is a factual element that affects the price of the RTRS certified material.

Bearing this in mind, Ulises Javier Martinez Ortiz proposes to discuss this topic in February, during the Executive Board physical meeting to be held on February 20 and 21, 2019, in Brazil and evaluate the rules to be applied in connection with the validity term of the credits.

Marcelo Visconti affirms this topic will be included in the agenda for the Executive Board physical meeting to be held on February 20 and 21, 2019, in Brazil.

Since no further comments or questions are posed on the subject, the members of the Executive Board decide to move to the next item in the agenda.

9. Any Other business

Belinda Howell informs that following her recommendation, the Retailers' Soy Group members agreed that she should step down as RTRS Vice-President.

Lieven Callewaert confirms that the RTRS Members he represents on the Executive Board support his nomination for the RTRS Vice-Presidency.

The Industry, Trade and Finance Executive Board members approve Lieven Callewaert as third RTRS Vice-President.

Then, Ulises Javier Martinez Ortiz asks about the agenda for the Executive Board meeting on Brazil in February. Marcelo Visconti shares with the Executive Board Members a preliminary agenda of the two-day physical meeting to be held on February 20 and 21, 2019, which was previously discussed with Marina Born.

Marcelo Visconti proposes that an agency should support, facilitate and advice RTRS on the process of developing the RTRS strategy beyond 2020 and that the idea is that this agency participates in the Executive Board meeting in Brazil. Marcelo Visconti states that the Secretariat will present alternatives to the Executive Board members to choose the proper partner



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Since no further comments or questions are posed on the subject, the members of the Executive Board decide to close the meeting.

10. *Closing.*

The meeting is closed on Tuesday, December 11, 2018 at 17:00 CET time.

December 11, 2018.

Ulises Javier Martinez Ortiz

Vice-President of RTRS Executive Board

Marcelo Visconti

Executive Director of RTRS