ROUND TABLE ON RESPONSIBLE SOY ASSOCIATION (RTRS)
UTOQUAI 29/31 | 8008 ZURICH, SWITZERLAND

Minutes No. 165 of the Executive Board Meeting held on

Wednesday, November 6, 2019, 15:00 to 18:00, CET time (in accordance with article 21, section [1] of the RTRS Statutes).

Agenda:

1. a) Ratification of the special resolution taken at the Executive Board meeting held on July 23, 2019 regarding the establishment of the Working Group for European Outreach.
   b) Approval of the Executive Board meeting minutes No. 163.
2. Approval of the Executive Board meeting minutes No. 164.
3. Latest Estimate Three (LE3).
4. Approval of the Budget for 2020.
5. Actions to be adopted in connection with Members in default of certain obligations: approval of list of Members proposed to be suspended.
6. Collaborative Soy Initiative: update on the discussions of the Working Group.
7. Approval for the signing of UNECE's Declaration on Gender-Responsive Standards and Standards Development.
8. Approval of MTO's request for a waiver of the annual membership fee for 2020.
9. Approval of El Inmueble S.A.'s request for reconsideration of the expiration of its credits.
10. February 2020 Field Trip & Executive Board meeting in Sorriso, Brazil.
11. Approval of application documents for ISEAL membership.
12. Revocation of the resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil. Discussion about new proposal.
13. Update on RT15: decision on the venue.
14. Compromiso Gran Chaco Argentino 2030 (*Argentinian Gran Chaco 2030 - Commitment*).
15. Wrap up on on-going projects: Zero Means Zero campaign; European Commission Engagement & NGOs engagement Plan.
16. Public communication on RTRS Members' Annual Progress Reports.
17. Tecnocampo's decision regarding RTRS membership application.
18. October 2019 Key Performance Indicators (KPIs) & Priorities Update.
19. Any other business.
20. Closing.

A. Introduction

The meeting of the Executive Board of the Round Table on Responsible Soy Association (RTRS) starts on Wednesday, November 6, 2019 at 15:00 CET time.

Participants: **RTRS Executive Board members:**

- Marina Born, Caldenes S.A. (constituency: Producers): marina.engels@responsiblesoy.org
- Juliana de Lavor Lopes, Amaggi (constituency: Producers): juliana.lopes@amaggi.com.br
- Luiz Carlos Iaquinta Filho, Bartira Agropecuaria S.A. (constituency: Producers): liaquinta@brookfieldbr.com
- Maria Cristina Delicato, Associação Amigos da Terra – CAT Sorriso (constituency: Producers): cristinadelicato@terra.com.br. (Alternate for Anadir Regina Graça Paiva): dudypaiva@hotmail.com
- Ana Carolyne Ribeiro Queiroz, FAPCEN (constituency: Producers): anacarolynerq@hotmail.com (Alternate for Gisela Regina Introvini): giselaintrovini@hotmail.com
- Ulises Javier Martinez Ortiz, Fundación Vida Silvestre (constituency: Civil Society Organizations): ulises.martinez@vidasilvestre.org.ar
- Oswaldo de Carvalho Junior, Earth Innovation Institute (constituency: Civil Society Organizations): ocarvalho@earthinnovation.org
- Judith Kontny, Lidl (constituency: Industry, Trade and Finance): Judith.Ginsberg@lidl.com
- Jochem Bouwmeester, Rabobank U.A. (constituency: Industry, Trade and Finance): jochem.bouwmeester@rabobank.com
- Lieven Callewaert, Alliance 4 Soy (constituency: Industry, Trade and Finance): lieven.callewaert@soy4brands.org
- Stefan Heinke, Bayer AG, (constituency: Industry, Trade and Finance): stefan.heinke@bayer.com

RTRS Secretariat:

- Marcelo Visconti, RTRS Executive Director: marcelo.visconi@responsiblesoy.org
- Ingrid Korn, RTRS Administration Officer at RTRS office in Zurich: Ingrid.korn@responsiblesoy.org
- Laura Villegas, RTRS Secretariat: laura.villegas@responsiblesoy.org
- Daniel Kazimierski, RTRS Secretariat: daniel.kazimierski@responsiblesoy.org
- Ana Laura Andreani, RTRS Secretariat: ana.andreani@responsiblesoy.org

Special guests invited:

- Cid Sanches, RTRS External Consultant: cidsanches64@gmail.com
- Mabel Fernández, RTRS Financial External Consultant: mabelau.fernandez@gmail.com
- Martin Berra, from the RTRS Argentine Legal Counsel's team: martin.berra@trsym.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.

B. Quorum and proposals

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

1. *a) Ratification of the special resolution taken at the Executive Board meeting held on July 23, 2019 regarding the establishment of the Working Group for European Outreach.*
   b) Approval of the Executive Board meeting minutes No. 163.

The Ratification of the special resolution taken at the Executive Board meeting held on July 23, 2019 regarding the establishment of the Working Group for European Outreach is proposed.

Marina Born takes the floor and states that, although she is not against the approval of the resolution, she strongly questions the efficiency of the process regarding the definition of the European Outreach Job Description, which took too much time and is delaying the accomplishment of RTRS' objective of driving the European market. She further stresses the need to hire the RTRS European Outreach by the end of 2019.

Lieven Callewaert takes the floor and explains that the definition of the RTRS European Outreach Job Description was delayed because there was no consensus on it. He further remarks that consensus is crucial to begin a recruitment process, and that previous RTRS' experiences clearly show this.

Stefan Heinke takes the floor and adds that besides hiring the new RTRS European Outreach, the Working Group for European Outreach should start thinking on how to strengthen RTRS' position in Europe.

The RTRS Executive Board resolves the following:

"The special resolution taken at the Executive Board meeting held on July 23, 2019 regarding the establishment of the Working Group for European Outreach is ratified (by consensus)."

Thereupon, minutes No. 163 are reviewed page by page.

Stefan Heinke states that -although he is not against the approval of this minutes- during the Executive Board meeting held on July 23, 2019, the Executive Board members had an extensive discussion on (i) how RTRS should engage with the Global Roundtable for Sustainable Beef (GRSB), and (ii) which are the possible areas of mutual collaboration between GRSB and RTRS. He further mentions that it was also decided to include this topic in the agenda for the Executive Board meeting held on September 10, 2019, but there has been no definition regarding this issue thus far.

Marcelo Visconti takes the floor and confirms that the discussion and analysis regarding possible synergies and areas of collaboration between RTRS and organizations such as GRSB will be part of the "Beyond 2020" RTRS Strategy discussions.

Stefan Heinke agrees to have this topic included in the "Beyond 2020" RTRS Strategy agenda and he further asks for an analysis, information and proposals to work on synergies not only with GRSB but with other possible partners.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

"The Executive Board meeting minutes No. 163 are approved (by consensus)."

2. *Approval of the Executive Board meeting minutes No. 164.*

Minutes No. 164 are reviewed page by page.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

"The Executive Board meeting minutes No. 164 are approved (by consensus)."

3. *Latest Estimate Three (LE3).*

Marcelo Visconti presents the Latest Estimate 3 (LE3) and confirms that it is aligned to the previous estimate, showing a 10% increase in income and a 67% improvement in profits.

He further states that there is an increase in extraordinary expenses mainly due to the final decision of the Swiss Federal Tax Authorities. In this regard, Marcelo Visconti remarks that -including late interest- the owed tax amounts to CHF 480,000 compared to the 2018 forecast of CHF 393,000 made by KPMG. The difference arises from the forecast made by KPMG at 75%, mitigated by the expiration of 2012 fiscal year contingency.

There has been a considerable improvement in the cash position mainly due to a substantial upturn in the collection of fees. This cash position is now appropriate to cover three months of future obligations.

After a brief exchange of views on this matter, the Executive Board members decide to move to the next item in the agenda.

4. *Approval of the Budget for 2020*

Marcelo Visconti explains that an 8% increase in sales and a 17% operating profit increase are forecasted, as a result of a higher operating leverage driven by a 7% increase in expenses.

With regards to income, the certification fee is expected to increase by 10%, achieving 3.3 million tons.

In addition, Marcelo Visconti ascertains that the increase in expenses is due to:

- Costs related to the venue for the RTRS Annual Conference 2020 (RT15), which has no host sponsor: € 53,000;

- Secretariat expenses grew € 34,000; due to the hiring of a full-year finance employee on September 2019, amongst others;

- Market Development (development of the soy footprint calculator and a full year European External Consultant: € 31,000);

- Technical Unit activities (ISEAL application, analysis of existing GHG tools, amongst others: € 26,000);

Marcelo Visconti further refers to the reduction in professional services (mainly legal services in Switzerland) and to the € 32.000 decrease in strategy costs.

Finally, Marcelo Visconti affirms that the cash position is similar to the previous year, mainly due to the strengthening of the performance within the collection of fees.

Jochem Bouwmeester takes the floor and expresses his concern regarding the amount of the professional fees forecasted. He proposes to come up with a structural plan to decrease this kind of expenses.

Lieven Callewaert supports Jochem Bouwmeester's proposal and also requests to have a detail of the expenses for professional services in order to analyze them and have a better understanding on this matter.

Marina Born states that RTRS faced for the last three years certain tax and labor contingencies. Due to proper legal counseling these contingencies were mitigated. She further expresses her concern about the risk of not taking seriously the legal implications surrounding the activities of the association, which necessarily require legal and financial advice. Furthermore, she ascertains that RTRS suffered to many problems due to the lack of professional advice before 2016.

Luiz Carlos Iaquinta Filho supports Marina Born's approach and asks Marcelo Visconti to analyze if it is possible to reduce the expenses for professional services.

Marcelo Visconti mentions that -as shown by the proposal to the budget for 2020-, the trend for the past three years has been to reduce professional expenses. He further suggests focusing on actions to increase income instead of further reducing legal expenses.

Jochem Bouwmeester confirms that Rabobank does not approve this version of RTRS' budget for 2020.

Luiz Carlos Iaquinta Filho suggests approving this budget, committing to further reduce the forecast of professional services. Furthermore, he stresses the need to focus on increasing income.

Marcelo Visconti confirms that RTRS could make an effort to reduce professional expenses by € 15,000.

Lieven Callewaert suggests postponing the approval of the budget for 2020 until the next Executive Board meeting to be held on November 27, 2019, in St. Gallen, where all the Executive Board member will have more information about the professional expenses. The rest of the Executive Board members agree with Lieven Callewaert's suggestion.

Marina Born confirms that since no further comments or questions are posed on the subject, the Executive Board members decide to postpone the discussion until next Executive Board meeting to be held in St. Gallen, Switzerland, next 27 November.

The RTRS Executive Board resolves the following:
i) "The Budget for 2020 is rejected (by consensus);" and
ii) "To postpone the approval of the budget for 2020 until the next Executive Board meeting to be held on November 27, 2019, in St. Gallen."

5. *Actions to be adopted in connection with Members in default of certain obligations: approval of list of Members proposed to be suspended.*

A list of eight RTRS Members to be suspended by the Executive Board because of having overdue debts, is presented. Eight members are in conditions to be suspended effective immediately, while others have committed to pay their overdue debts in the coming days. If members that committed to pay in the coming days continue to have overdue debts until the Executive Board meeting to be held in December, they will be suspended.

Marcelo Visconti informs that the listed Members were duly notified of their situation. He further stresses that the RTRS Secretariat is constantly carrying out follow up actions with all listed Members for them to cancel their obligations.

Judith Ginsberg suggests distributing this list of suspended members among all RTRS members.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:
"The immediate suspension of Members included under the category "to be suspended" in the list attached as Annex #5 to the Agenda for this Executive Board meeting is approved (by consensus)."

The Executive Board members further agree on issuing a communication about the suspended RTRS Members during the next Quarterly RTRS Members Newsletter (Q4).

6. *Collaborative Soy Initiative: update on the discussions of the Working Group.*

The Executive Board members are reminded that -during the Executive Board meeting held on September 10, 2019- they decided to set up a working group formed by Executive Board

members and Marcelo Visconti with the purpose of reviewing the Collaborative Soy Initiative governance structure and defining a communication approach regarding such initiative (narrative, contents and website landing page). Its final objective is to align the Collaborative Soy Initiative Steering Committee and the RTRS Executive Board, in order to provide soy stakeholders with clearer information.

On October 10, 2019, during a Collaborative Soy Initiative Steering Committee meeting, it was proposed to let certain members of the Collaborative Soy Initiative Steering Committee to participate in the working group in order to review together the governance structure and the communication approach of the Collaborative Soy Initiative, including branding.

The working group met on October 22, 2019. The participants of the meeting were Stefan Heinke, Marina Born, Luiz Carlos Iaquinta Filho, Emese Brosz, Peter De Koning, Eddy Esselink, Constantine Malik and Marcelo Visconti.

Stefan Heinke comments that in such meeting it was decided that Constantine Malik would produce a paper on the way forward, however, since such paper is not yet ready, Stefan Heinke proposes to include the topic on the "Beyond 2020" RTRS Strategy agenda.

Marina Born supports Stefan Heinke's proposal.

Juliana de Lavor Lopes agrees with Stefan Heinke and suggests discussing this topic within the "Beyond 2020" RTRS Strategy.

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.

7. *Approval for the signing of UNECE's Declaration on Gender-Responsive Standards and Standards Development.*

The Executive Board members are informed that on March 15, 2019, RTRS received a letter from the United Nations Economic Commission for Europe (UNECE), inviting RTRS to sign the Declaration on "Gender Responsive Standards and Standards Development."

Such Declaration is addressed to standard bodies in order to inspire action and foster the development of innovative approaches and solutions to common challenges, instead of imposing limitations and demands on organizations.

The UNECE ascertains that in many cases, putting this item on the agenda of the organizations' governing bodies, allows them to make systemic changes.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:
"The signing of UNECE's Declaration on Gender-Responsive Standards and Standards Development is approved (by consensus)."

8. *Approval of MTO's request for a waiver of the annual membership fee for 2020.*

The Uruguayan Mesa Tecnológica de Oleaginosos (MTO) requested RTRS for a waiver of the annual membership fee for 2020 due to budgetary constraints. Furthermore, MTO informed that in case they do not get a favorable response to their waiver request, MTO will discontinue its membership.

The Executive Board members agree that there is no particular reason to grant this waiver. Therefore, the Executive Board members reject the approval of the waiver.

In the absence of any objections, Marina Born confirms that the Executive Board rejects the resolution.

The RTRS Executive Board resolves the following:
"MTO's request for a waiver of the annual membership fee for 2020 is rejected (by consensus)."

9. Approval of El Inmueble S.A.'s request for reconsideration of the expiration of its credits.

El Inmueble S.A., a former certified producer from Córdoba, Argentine Republic, requested RTRS the restoration of 1,855 expired credits.

The Executive Board members agree that since the resolutions regarding expiration of credits are clear and were duly informed to the public, there is no particular reason to reconsider the expiration of the credits in this particular case.

In the absence of any objections, Marina Born confirms that the Executive Board rejects the resolution.

The RTRS Executive Board resolves the following:
"El Inmueble S.A.'s request for reconsideration of the expiration of its credits is rejected (by consensus)."

10. February 2020 Field Trip & Executive Board meeting in Sorriso, Brazil.

The Executive Board members are reminded that during the Executive Board meeting held on July 23, 2019, it was decided that a minimum of 10 European and/or Asian companies must confirm their attendance to the February 2020 Field Trip in order to make it.

Laura Villegas informs that since 14 participants have confirmed their attendance to the field trip, it is going to take place in Sorriso, Brazil, on February 10 and 11, 2020.

Consequently, the RTRS Secretariat proposes the following schedule:

Sunday 09 – Feb	Monday 10 - Feb	Tuesday 11 - Feb	Wednesday 12 - Feb	Thursday 13 - Feb	Friday 14 - Feb
- Arrival to Sinop airport	- RTRS Field Trip - **Executive Board members arriving**	- RTRS Field Trip **(Executive Board members & Stakeholders)**	- Travel back (Stakeholders) - **EB meeting (Hotel or CAT Sorriso)**	- **EB meeting (Hotel or CAT Sorriso)**	- Travel back via Sinop airport

Jochem Bouwmeester asks to hold the Executive Board physical meeting in São Pablo because many Executive Board members will not participate of the Field Trip in Sorriso and São Pablo is a better location from a logistic perspective. He further suggests that the meeting should be held in one and a half day, instead of two as it is proposed.

Luiz Iaquinta supports Jochem Bouwmeester's suggestions.

Marcelo Visconti confirms that the RTRS Secretariat will present a new proposal during the next Executive Board meeting to be held on November 27, 2019.

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.

11. Approval of application documents for ISEAL membership.

The Executive Board members are informed that the RTRS Technical Unit has been working to adapt RTRS' documents and procedures in order to meet all ISEAL's requirements.

The process of application for the ISEAL membership includes:

a) The development of four new technical documents (RTRS Terms of Reference, RTRS Monitoring and Evaluating System Procedure, RTRS Grievances Procedure and RTRS Standard Development and Procedure for New Documents);
b) The update of three technical documents (RTRS Accreditation and Certification procedure for responsible soy production, RTRS Group and Multi-site certification procedure for CBs and RTRS Group and Multi-site Certification Standard);
c) The categorization of all technical documents (Standards, Procedures and Guidelines);
d) The creation of the Theory of Change and the Monitor & Evaluation (M&E) System; and
e) The adaptation of the new RTRS website to ISEAL codes;

The Executive Board members agree with the proposal.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following: "The application documents for ISEAL membership referred above from a) through e) are approved (by consensus)."

12. *Revocation of the resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil. Discussion about new proposal.*

During the Executive Board meeting held on June 14, 2019, the Executive Board members decided to review the inclusion of the deforestation assessment through satellite images within the scope of the proposal for the deforestation assessment in Brazil.

Luiz Carlos Iaquinta Filho takes the floor and explains that it is proposed to revoke the resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil, in order to discuss a new proposal.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following: "The resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil is revoked (by consensus)."

13. *Update on RT15: decision on the venue.*

An update on the RT15 is presented, including different possible locations where the RTRS Annual Conference scheduled for June 9 and 10, 2020, could be held. Among the options presented, London or Brussels are foreseen as recommended locations.

On the one hand, London would be convenient since the Amsterdam Declarations Partnership (ADP) is organizing the ADP Sustainability Week in London from Monday 8 through Friday 12, June 2020. This event includes an ADP multi-stakeholder meeting that is planned to be held on Thursday 11, June 2020. On the other hand, Brussels is the political center of the European Union as well as a central point in Europe, thus facilitating the attendance of European stakeholders.

Considering that Brussels represents a more economic option than London, and it is better located in terms of logistics and better positioned in terms of the RTRS' government engagement strategy, the presented proposal identifies Brussels as the most convenient location to hold RT15.

Stefan Heinke and Lieven Callewaert suggest holding the RT15 in London back-to-back with the ADP event. This would attract more participants to the RT15. Marina Born and Luiz Carlos Iaquinta Filho agree.

After analyzing the different possibilities, the Executive Board members decide to hold the RTRS Annual Conference RT15 | Beyond 2020 in London, United Kingdom, prioritizing the engagement with ADP and the shared opportunities of holding a back-to-back event.

In the absence of any objections, Marina Born confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:
"To hold the RTRS Annual Conference RT15	Beyond 2020 in London, United Kingdom, (by consensus)."

14. *Compromiso Gran Chaco Argentino 2030 (Argentinian Gran Chaco 2030 - Commitment).*

Due to the lack of time, the Executive Board members decide to postpone the discussion of this item until next Executive Board meeting to be held on November 27, 2019, in St. Gallen, Switzerland.

15. *Wrap up on on-going projects: Zero Means Zero campaign; European Commission Engagement & NGOs engagement Plan.*

The Executive Board members are provided with a summary regarding the performance and results of RTRS' latest communication actions.

With regards to the Zero Means Zero campaign, the report highlights the positive impact that such campaign is having in terms of awareness and engagement among RTRS' stakeholders, as well as among RTRS digital channels subscribers, and other stakeholders.

Further information is provided in connection with certain activities that are strengthening RTRS' role within the political global agenda, namely (i) the European Commission and NGO's engagement plan, and (ii) the meetings and conversations with the European Commission within the frame of the *Communication on Stepping up EU Action to protect and Restore the World's Forests.*

The Executive Board members are also informed that Marina Born has been invited as speaker in the European Union agricultural outlook conference to be held on December 10 and 11, 2019, in Brussels. During such dates, Marina Born will also attend some meetings with European Commission and NGO's representatives in order to drive the RTRS European Commission and NGO's engagement plan, which is expected to be concluded by the end of 2019 and the beginning on 2020.

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.

16. *Public communication on RTRS Members' Annual Progress Reports.*

The public communication on the 2018 RTRS Member's Annual Progress Reports are presented. Further reference is also made to the announcement made during the RTRS 12th General Assembly related to the enforcement of Article 7(7) of RTRS Statutes pursuant to which -based on the delivery of the Annual Progress Reports- the RTRS Secretariat will issue an annual publication summarizing the compliance status of the Annual Progress Report and

listing both the Members who have complied with such obligation and the Members who have failed to do so.

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.

17. Tecnocampo's decision regarding RTRS membership application.

The Executive Board members are informed that Tecnocampo has withdrawn its application to become an RTRS Member, because of several institutional constraints (such as the current environmental litigation that such company is facing, which could cause potential harm to RTRS' reputation).

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.

18. October 2019 Key Performance Indicators (KPIs) & Priorities Update.

The October 2019 (KPIs) are presented. The indicators show that sales until October 2019 increased 17% compared to 2018 YTD.

Moving to the priorities update, reference is made to three priorities (out of seven) that presented changes. Regarding the European Outreach, after the job description was approved by the Working Group for European Outreach stablished in July 2019, the recruitment process started on October 29, 2019, using RTRS' LinkedIn account as a recruiting channel. Further reference is made to the Collaborative Soy Initiative and to the fact that as per request of the Collaborative Soy Initiative Steering Committee members, the RTRS Executive Board should draft a revised proposal for the governance structure and definitions on the communication approach before moving forward with the initiative. The Executive Board members are reminded that as decided earlier in this meeting, the topic will be discussed as part of the agenda within the "Beyond 2020" RTRS Strategy meeting to be held during the strategy week on St. Gallen, Switzerland, on November 24, 2019.

With regards to the Umbrella RTRS Story, given the lack of quantitative and representative information on the impact of RTRS certification on the ground, currently, the communication is focusing on Zero Means Zero messages.

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.

19. Any other business.

The Executive Board members decide not to discuss any other business.

20. Closing.

The meeting is closed on Wednesday, November 6, 2019 at 18:00 CET time.

Mariana Born
RTRS President

Marcelo Visconti
Executive Director of RTRS