

Minutes No. 186 of the Executive Board Meeting held on

Wednesday, January 26, 2022, 16:00 to 16:20 CET time (in accordance with article 21, section [1] of the RTRS Statutes).

Agenda:

1. Approval of EU RED II technical documents in order to comply with the recast of Renewable Energy European Union Directive 2018/2001.
2. Approval of the disclaimer to be inserted in the cover page of all documents approved in item 1 until the recognition by the European Commission under the Renewable Energy European Union Directive 2018/2001 is obtained.
3. Mandate to the RTRS Secretariat to authorize certification bodies to conduct assessment audits and grant RTRS certificates under EU RED II module, pending the European Commission recognition and ratification by RTRS Participating Members.
4. Mandate to the RTRS Secretariat to submit EU RED II technical documents approved in item 1 for ratification by RTRS Participating Members by means of a written resolution in accordance with the voting procedure set forth in Article 18 of RTRS Statutes.
5. Any other business.
6. Closing.

A. Introduction

The meeting of the Executive Board of Round Table on Responsible Soy Association (RTRS) starts on **Wednesday, January 26, 2022, at 16:00 CET time.**

Participants: RTRS Executive Board members:

- Gisela Regina. Introvini, FAPCEN (constituency: Producers): giselaintrovini@hotmail.com
- Juan Quaine, Salentein Argentina B.V. (constituency: Producers): jquaine@salentein.com
- Enrique Molas, Productores de Soja Paraguay (constituency: Producers): enriquemolasg@gmail.com
- David Cleary, The Nature Conservancy (TNC) (constituency: Civil Society Organizations): dcleary@tnc.org
- Lieven Callewaert, Alliance4Soy, (constituency: Industry, Trade and Finance): lieven.callewaert@soy4brands.org
- Gerhard Adam, Bayer AG, (constituency: Industry, Trade and Finance): gerhard.adam@bayer.com



- Maria do Carmo Ferrante, Coöperatieve Rabobank U.A.,
(constituency: Industry, Trade and Finance):
Maria.Ferrante@rabobank.com
- Kobus Pienaar, Woolworths Holdings Limited South Africa,
(constituency: Industry, Trade and Finance):
KobusPienaar@woolworths.co.za

RTRS Secretariat based in Buenos Aires:

- Marcelo Visconti, RTRS Executive Director:
marcelo.visconti@responsiblesoy.org
- Ana Laura Andreani, Technical Unit Coordinator:
ana.andreani@responsiblesoy.org

Lieven Callewaert, 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

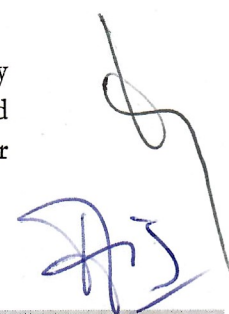
Lieven Callewaert ascertains that the quorum required to validly pass resolutions has been reached. The Executive Board considers the following items on the agenda:

1. Approval of EU RED II technical documents in order to comply with the recast of Renewable Energy European Union Directive 2018/2001.

The Executive Board is presented with the EU RED II technical documents relating to producers and processors willing to meet the requirements for supplying soy-based biomass, biofuels and/or bioliquids to European Union member states.

In this respect, the Executive Board members are explained that in 2017 RTRS launched the first version of all the EU RED set of documents, which were aligned and approved by the European Commission under the European Union Directive 2009/28/EC on the promotion of the use of energy from renewable sources (EU RED I as per its acronym). Such set of documents were approved by the Executive Board in October 2016 and by the General Assembly in April 2017, and therefore, RTRS was recognised as a voluntary scheme by the European Commission.

On December 11, 2018, under the recast European Union Renewable Energy Directive 2018/2001 (EU RED II as per its acronym), the European Union extended the sustainability criteria to cover biomass used for heating and cooling and power generation.





By the end of 2020 and during the first semester of 2021, RTRS worked together with a specialized external consultant to adjust and align the RTRS EU RED I set of documents to EU RED II.

As a consequence of the recast of EU RED II, the European Commission required (i) member states to transpose into national law the rules by June 30, 2021; and (ii) voluntary schemes to adjust their certification approaches to meet the new requirements set forth in EU RED II and, consequently, apply for re-recognition by the European Commission under such sustainability framework by June 30, 2021. Therefore, after June 30, 2021, the sustainability criteria, stipulated in Article 29 of EU RED II I, apply together with the respective rules on verification of the compliance with these criteria, enshrined in Article 30 of the same directive.

RTRS applied for recognition by the European Commission in line with article 30(4) of EU RED II, and successfully completed the process of technical assessment by the European Commission before the transposition date of the EU RED II (June 30, 2021). As a result of the completion of said process, the European Commission on October 1, 2021, made a “preliminary positive assessment”¹ on RTRS as voluntary scheme.

In addition to the sustainability requirements under EU RED II, there are two implementing acts, which will also be the basis of the verification of compliance once adopted. However, as the European Commission is still to issue the implementing acts above mentioned, the full recognition of voluntary schemes under article 30(4) of EU RED II would only be achieved after the adoption of those implementing acts and, consequently, the assessment protocol for voluntary schemes may need to be further updated, which will trigger a respective need for an update of some parts of the already submitted applications of voluntary schemes.

Taking all the above into consideration, the European Commission announced that for a certain transition period of time, there will not be any formally recognised voluntary scheme under article 30(4) of RED II. Therefore, in order to ensure continuity in the certification activities of voluntary schemes, the European Commission clarified that the absence of a formal recognition of voluntary schemes is not a legal barrier for member states to still do accept evidence from these schemes on their own discretion as long as there is no formal decision by the Commission. Consequently, member states can decide doing so in a transition period between the July 1, 2021, and the entry into force of the new decisions recognising the voluntary schemes

In this respect, the European Commission’s website published the following: “*The Commission expects the recognition of the first voluntary schemes under the recast directive to happen in the short term. The recognition by the Commission is not a pre-requisite for certification. EU countries may accept evidence from voluntary schemes or national certifications schemes set up by EU countries that*

¹ Available at https://energy.ec.europa.eu/topics/renewable-energy/biofuels/voluntary-schemes_en#approved-voluntary-schemes-and-national-certification-schemes

are not recognised provided they if the required assurances. In order to avoid market distortions, such recognition is advisable in the transition period.”²

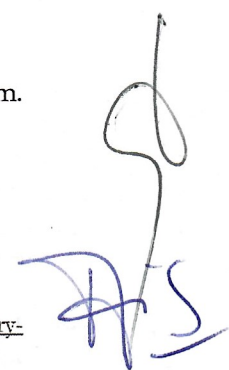
Based on the above and in order to avoid any market disruptions, the Executive Board is presented with the set of documents, preliminary approved by the European Commission, in order to commence with the certification under the RTRS EU RED II, and, therefore, the commercialization of RTRS certified material by market operators. Such documents are the following:

1. RTRS EU RED Compliance Procedure for Producers V3.7
2. RTRS EU RED Chain of Custody Standard V2.8
3. RTRS EU RED Compliance Procedure for the Supply Chain V3.8
4. RTRS EU RED Accreditation and Certification procedure for responsible soy production V4.5
5. RTRS EU RED Chain of Custody Accreditation and Certification Procedure for CBs V3.6
6. RTRS EU RED Group and Multi-site certification procedure for CBs V3.6
7. RTRS EU RED Group and Multi-site Certification Standard V3.5
8. RTRS EU RED System Procedure V2.7
9. RTRS EU RED Communication and Claims Procedure V1.5

In this respect, the Executive Board are informed of the main changes in set of documents above mentioned:

- New definitions of Directive (2018/2001/EC) for feedstocks:
 - “agricultural, aquaculture, fisheries and forestry residues”
 - “residue”
 - “waste”
 - “ligno-cellulosic material”
 - “non-food cellulosic material”
- Adjustment of the calculation of GHG savings to the one expressed in EU RED II.
- Adjustment of how GHG emissions should be reported.
- Adjustment of actual GHG emission estimates throughout the chain of custody.
- Adjustment on requirements for the Mass Balance system.
- Establishing a clear complaint procedure and an internal monitoring system.

² Available at https://energy.ec.europa.eu/topics/renewable-energy/biofuels/voluntary-schemes_en#approved-voluntary-schemes-and-national-certification-schemes





ROUND TABLE ON RESPONSIBLE SOY

Maria Ferrante takes the floor and asks the RTRS Secretariat if the calculation and the report of greenhouse emissions are affected by these modifications. In response to this query, Ana Andreani replies that calculation method, and the report are not stricter, it just requires the use of different metrics (measurement units).

In the absence of any objections, Lieven Callewaert confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“To approve EU RED II technical documents in order to comply with the recast of Renewable Energy European Union Directive 2018/2001 (by consensus).”

2. *Approval of the disclaimer to be inserted in the cover page of all documents approved in item 1 until the recognition by the European Commission under the Renewable Energy European Union Directive 2018/2001 is obtained.*

The Executive Board is presented with the disclaimer to be inserted in the cover page of all documents approved in item 1 until the recognition by the European Commission under the Renewable Energy European Union Directive 2018/2001 is obtained, as follows:

“Under the recast Renewable Energy Directive 2018/2001 (“EU RED II”), the European Union (“EU”) sustainability criteria are extended to cover biomass for heating and cooling and power generation (having previously covered only liquid fuels).

*RTRS applied for recognition by the European Commission (“EC”) in line with article 30(4) of EU RED II, and successfully completed the process of technical assessment by the Commission before the transposition date of the EU RED II (06/30/2021). As a result of the completion of said process, the EC has made a “**preliminary positive assessment**” on RTRS as voluntary scheme (please see the relevant information at (https://energy.ec.europa.eu/topics/renewable-energy/biofuels/voluntary-schemes_en#approved-voluntary-schemes-and-national-certification-schemes)). However, as the EC is still to publish the Implementing Act, the full recognition of voluntary schemes has not yet been finalized.*

The EC has informed that although the recognition of voluntary schemes under the recast directive is expected to happen in the short term, the “recognition by the Commission is not a pre-requisite for certification” and that EU countries may admit voluntary schemes that are not recognized. The EC has further stated that in order to avoid market distortions, such recognition by the EU countries is advisable in the transition period.

GIVEN THAT AS OF THE DATE OF THIS DOCUMENT VOLUNTARY SCHEMES (INCLUDING RTRS) HAVE NOT YET OBTAINED RECOGNITION BY THE EC AND THE FACT THAT THE EC HAS ONLY MADE A PRELIMINARY POSITIVE ASSESSMENT ON RTRS, UNTIL RECOGNITION IS GRANTED BY EC, RTRS CANNOT PROVIDE ANY ASSURANCES AND NOTHING IN THIS DOCUMENT SHALL BE CONSTRUED AS AN EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO WHETHER RTRS CERTIFICATES ISSUED UNDER THE EU RED II MODULE WILL BE

DEEMED SUFFICIENT BY THE EU COUNTRIES AS EVIDENCE OF COMPLIANCE WITH EU RED II REGULATIONS AND, THEREFORE, RTRS HEREBY DISCLAIMS ANY AND ALL LIABILITY IN CONNECTION THEREWITH.

This document was approved by Executive Board at the meeting held on January 26, 2021, and will be submitted for ratification by the RTRS Participating Members."

Lieven Callewaert takes the floor and requests to use just lower case for the disclaimer. Enrique Molas agrees with the suggestion.

Furthermore, Lieven Callewaert asks when all documents approved in item 1 will be submitted for ratification by the RTRS Participating Members, and Marcelo Visconti replies that the resolution will be included together within the written resolution that replaces the General Assembly of the current year as approved by the Executive Board meeting held on December 15, 2021.

Since no further comments or questions are posed on the subject, the Executive Board members. Confirm the approval of the resolution.

The RTRS Executive Board resolves the following:

"To approve the disclaimer to be inserted in the cover page of all documents approved in item 1 until the recognition by the European Commission under the Renewable Energy European Union Directive 2018/2001 is obtained (by consensus)."

3. Mandate to the RTRS Secretariat to authorize certification bodies to conduct assessment audits and grant RTRS certificates under EU RED II module, pending the European Commission recognition and ratification by RTRS Participating Members.

In view of the approvals of items 1 and 2 of the Agenda, the Executive Board members agree to mandate to the RTRS Secretariat to authorize certification bodies to conduct assessment audits and grant RTRS certificates under EU RED II module, pending the European Commission recognition and ratification by RTRS Participating Members.

Since no further comments or questions are posed on the subject, the Executive Board members confirm the resolution.

The RTRS Executive Board resolves the following:

"To approve the mandate to the RTRS Secretariat to authorize certification bodies to conduct assessment audits and grant RTRS certificates under EU RED II module, pending the European Commission recognition and ratification by RTRS Participating Members (by consensus)."

4. Mandate to the RTRS Secretariat to submit EU RED II technical documents approved in item 1 for ratification by RTRS Participating Members by means of a written resolution in accordance with the voting procedure set forth in Article 18 of RTRS Statutes.



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In view of the approvals of items 1 and 2 of the Agenda, the Executive Board members agree to mandate to the RTRS Secretariat to submit EU RED II technical documents approved in item 1 for ratification by RTRS Participating Members by means of a written resolution in accordance with the voting procedure set forth in Article 18 of RTRS Statutes.

Since no further comments or questions are posed on the subject, the Executive Board members confirm the resolution.

The RTRS Executive Board resolves the following:

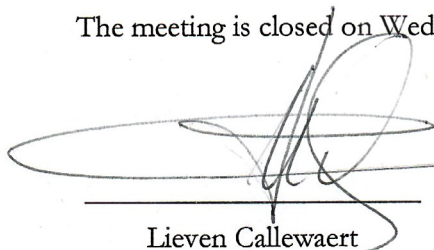
“To approve the mandate to the RTRS Secretariat to submit EU RED II technical documents approved in item 1 for ratification by RTRS Participating Members by means of a written resolution in accordance with the voting procedure set forth in Article 18 of RTRS Statutes (by consensus).”

5. *Any other business*

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

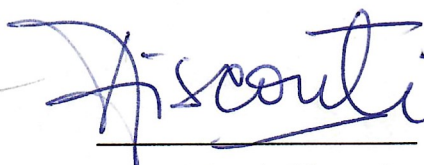
6. *Closing*

The meeting is closed on Wednesday, January 26th, 2022 at 16:30 CEST time.



Lieven Callewaert

RTRS President



Marcelo Visconti

Executive Director of RTRS