Minutes No. 164 of the Executive Board Meeting held on

Tuesday, September 10, 2019, 15:00 to 17:00, CEST time (in accordance with article 21, section [1] of the RTRS Statutes).

Agenda:

1. Approval of the Executive Board meeting minutes No. 163.
3. Update on the Collaborative Soy Initiative convened by RTRS. Approval of the Position statement: RTRS Global Multistakeholder Platform on Soy & the role of the CSI.
4. Approval of the write-off of the debt of Young’s Seafood Ltd, with respect to the Annual Membership Fee for the year 2017.
5. Approval of the change of the registered office of the representation of RTRS in the Argentine Republic to Cuba 1940, sixth floor, Office No. 602, Autonomous City of Buenos Aires.
6. Approval of (i) the transfer of ALDI International Services GmbH & Co. oHG’s membership to HOFER KG; (ii) the use of the name ALDI SOUTH Group on RTRS’ marketing communications; and (iii) the use of both names (“ALDI SOUTH Group - HOFER KG”) within the RTRS Trading Platform.
7. Possible areas of mutual collaboration between RTRS and GRSB and the possible actions to achieve synergies.
8. Discussion about the implementation of the resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil.
9. RTRS NGOs engagement plan:
   - Approval of the short list of NGOs to engage with.
   - Approval of key messages to communicate and engage with NGOs.
11. August 2019 Key Performance Indicators (KPIs) & Priorities Update.
12. Any other business.
13. Closing.

A. Introduction

The meeting of the Executive Board of the Round Table on Responsible Soy Association (RTRS) starts on Tuesday, September 10, 2019 at 15:00 CEST time.
Participants:

RTRS Executive Board members:

- Gisela Regina Introvini, FAPCEN (constituency: Producers): giselaintrovini@hotmail.com
- 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
- Hernan Zunino, The Nature Conservancy (TNC) (constituency: Civil Society Organizations): hernan.zunino@tn.c.org
- 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): oocarvalho@earthinnovation.org
- 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
- Jorn Jasper Schouten, ACT Commodities (constituency: Industry, Trade and Finance): JSchouten@actcommodities.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
- Ana Carolyne Ribeiro Queiroz, FAPCEN (constituency: Producers): anacarolynercq@hotmail.com (Alternate for Gisela Regina Introvini): giselaintrovini@hotmail.com
- Mabel Fernández, RTRS Financial External Consultant: mabelau.fernandez@gmail.com
- Federico Otero, RTRS Legal External Counsel: federico.otero@trsym.com
- Constantin Malik, Malik Management: Constantin.Malik@mzsg.ch

Luiz Carlos Iaquinta Filho, Treasurer 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 Treasurer 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. 163.

Minutes No. 163 are reviewed page by page.

Lieven Callewaert requests to reflect in the Minutes No. 163 the Executive Board’s special resolution through which the “working group for European Outreach” (WG EU Outreach) was established.

The rest of the Executive Board members agree with Lieven Callewaert’s request, thus implying that Minutes No. 163 are rejected and will be further approved in the next Executive Board meeting, including the requested adjustment.

The RTRS Executive Board resolves the following:

“The Executive Board meeting minutes No. 163 are rejected (by consensus).”


Constantin Malik takes the floor and presents the process status regarding the “Beyond 2020” RTRS Strategy.
He broadly describes the ongoing process, the material that the RTRS Secretariat has sent to Malik Management and the ongoing opinion survey geared towards RTRS Members, which will be followed up closely for developing key Milestone 2.

Constantin Malik further presents the key Milestone 1: Assessment of today’s situation according to the proposed six Central Performance Control (CPC), for its discussion together with the Executive Board members, including both the role of RTRS as a global multistakeholder platform on responsible soy and as a certification scheme:

- CPC 1: Market positioning (RTRS as a multistakeholder platform on responsible soy and as a certification scheme);

- CPC 2: Innovation performance;

- CPC 3: Productivities, not as a priority but as areas that need improvement (the time it takes to a producer to certify; the use of land; the decision-making process, etc.);

- CPC 4: Attractiveness for the relevant players; and

- CPC 5 & 6: Liquidity and Profitability (steady growth but minimum profit, without much room for large investments).

Furthermore, the three main issues and challenges RTRS faces are identified: (i) RTRS’ positioning (global multistakeholder platform and certification scheme), (ii) the regional strategy, and (iii) the business model and funding strategy.

Aukje Berden suggests including -within the discussion of the “Beyond 2020” RTRS Strategy- the analysis of the potential benefit that RTRS could get by encouraging an appropriate interaction with other existing initiatives (e.g. Bonsucro, RSPO, etc.) and adopting an approach towards other commodities.

Marcelo Visconti confirms that after receiving the proposal from the Executive Board members, he will send the invitations to the Sounding Board participants.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

"Key Milestone 1: Assessment of today’s situation - of the “Beyond 2020” RTRS Strategy- is approved (by consensus)."

With regards to Aukje Berden’s suggestion, Stefan Heinke asks to create a list of initiatives that RTRS (i) would like to undertake, (ii) has already undertaken; and (iii) should undertake, including the reasons for, and the ways of, doing so.
Aukje Berden remarks - in connection with Stefan Heinke’s request - the need to (i) focus on the key priorities already identified by the Executive Board and (ii) understand RTRS’ budget and structure possibilities.

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.

3. Update on the Collaborative Soy Initiative convened by RTRS.

Approval of the Position statement: RTRS Global Multistakeholder Platform on Soy & the role of the CSI.

Marcelo Visconti is asked to summarize the latest developments of the “Collaborative Soy Initiative” Convened by RTRS (the “CSI”).

According to Marcelo Visconti, the decisions taken by the RTRS Executive Board members regarding the CSI objectives and role are not being fully complied with, specially the one that was, and continues to be, the strengthening of RTRS’ role as the main global platform on soy.

Laura Villegas takes the floor and refers to the communication side of this topic, including the current narrative that the CSI is using to communicate itself and the actions promoted within such initiative. Additionally, she refers to the CSI communication channels, such as the website landing page, which is separated from the one of RTRS. She further suggests (i) stopping any formal institutional communication by any means regarding the CSI, and (ii) working on a careful approach at this first stage of the CSI positioning in order not to create brand confusions.

Furthermore, Laura Villegas reconfirms that as per the outcomes of the Executive Board physical meeting held in February 2019 in Brazil, the CSI was commissioned by RTRS with the objectives of strengthening RTRS’ role as a global multistakeholder platform on soy and communicating such role to the public.

Luiz Carlos Iaquinta Filho takes the floor and opines that the CSI seems not to be complying with the original objective that such initiative had when it was launched and, since it is creating confusion among the soy stakeholders, it is important to understand why this deviation has occurred in order to re-align it.

Juliana de Lavor Lopes takes the floor and remarks that it is very important to avoid miscommunications to the market and RTRS stakeholders, which is what is currently happening according to many comments she has received.

Juliana de Lavor Lopes further stresses on the fact that the CSI communications are not fully aligned with RTRS, and she specifically refers to the CSI website landing page, where the information regarding RTRS’ role is misleading. She also refers to the former RTRS European external consultant, Ariane Louwaeghe, who is currently playing an active role within the CSI, situation that was never approved by the RTRS Executive Board.
Juliana de Lavor Lopes finally suggests reviewing the approach of the CSI to be assured that the CSI will strengthen RTRS' role as the main global platform on responsible soy instead of weakening it and, in order to do so, she believes that RTRS needs to understand the activities conducted by the CSI.

Lieven Callewaert takes the floor and states that, indeed, the CSI was created within the Syntegration process and, as per Malik Management's recommendations, the CSI should not be held as a new platform separated from RTRS, but just an initiative aimed at boosting collaboration and synergies among stakeholders of the soy sector. He further explains that the decision to select Ariane Louwaeghe as the CSI Project Manager was based on the resolution taken by unanimous decision at the Executive Board meeting held on April 25, 2019, which approved the CSI governance structure, including the operational authority of the Steering Committee to decide what actions should be taken and who can carry them out. He adds that the CSI Steering Committee agreed to (i) work in a neutral setting with a neutral project manager, separated from the organizations participating in the CSI, and (ii) select Ariane Louwaeghe to carry out such project management/coordination function from September 2019 onwards.

Marcelo Visconti takes the floor and informs that RTRS cannot continue funding the CSI in 2019 until a better alignment is achieved between all its Steering Committee members and RTRS.

Stefan Heinke suggests having a separate meeting to define how the CSI governance structure should be established and how such governance structure should be communicated to the public. For this purpose, he suggests forming a working group in which Lieven Callewaert and Marcelo Visconti should participate.

Juliana de Lavor Lopes supports such idea and adds that the CSI governance structure should be under RTRS' administration in order not to create confusion among stakeholders. She also states that, if RTRS is to receive funds to be further allocated to the CSI, RTRS should account for the expenditure of such funds. Juliana de Lavor Lopes further affirms that the CSI should be part of RTRS' strategy -which involves becoming the main roundtable on soy- and stresses that this approach must be deeply discussed during the "Beyond 2020" RTRS Strategy meeting to be held on November this year in Saint Gallen.

Lieven Callewaert states that the CSI is not under RTRS' control but it is convened by RTRS. He also confirms that Ariane Louwaeghe is not being paid by RTRS.

Luiz Carlos Iaquinta Filho opines that even if the governance structure of the CSI is not under RTRS' control, the CSI actions should be aligned with RTRS' interests and strategy.

Aukje Berden agrees with Luiz Carlos Iaquinta Filho and Juliana de Lavor Lopes' position and remarks that this kind of initiatives should be led by RTRS. She also stresses the need to work on accountability not only with regards to the possible funding of the CSI but also with regards to the decision-making process of the CSI.

Gisela Regina Introini adheres to Aukje Berden and Juliana de Lavor Lopes' statements.
Lieven Callewaert states that he is chairing the CSI in his capacity as RTRS Vice-president, thus implying that RTRS is taking the lead of the CSI and adds that the confusions arisen are just a matter of perception. In this sense, Lieven Callewaert agrees with Juliana de Lavor Lopes in that the CSI must be more careful in the way it communicates to the public and suggests setting up a broader validation process before commuting.

Hernán Zunino supports Luiz Carlos Iaquinta Filho, Juliana de Lavor Lopes and Aukje Berden’s insights and agrees that both the CSI communications and the role of RTRS within the CSI are not clear enough.

Juliana de Lavor Lopes and Luiz Carlos Iaquinta Filho state that in the framework of the webinar organized by the CSI (“Deforestation and conversion free soy: how to collaborate better to make it happen”), it should be very clear that the CSI is convened by RTRS.

Laura Villegas refers to the position statement that the RTRS Secretariat has prepared for the opening of the CSI webinar by Marcelo Visconti. Thereupon, she reads the position statement “RTRS Global Multistakeholder Platform on Soy & the role of the CSI” page by page.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“The position statement “RTRS Global Multistakeholder Platform on Soy & the role of the CSI” is approved (by consensus).”

It is further agreed that the RTRS position statement will be shared with the CSI Steering Committee before the upcoming webinar.

Moreover, based on the outcomes of the discussion of item number 3 of the agenda for this meeting, which relates to the next steps of the CSI, the Executive Board members request the RTRS Secretariat to:

(i) Release the position statement “RTRS Global Multistakeholder Platform on Soy & the role of the CSI” to the public after the CSI webinar.

(ii) All communication actions (excluding the webinar to be held on September 17, 2019, that was already announced) should be stopped, including the launching of the CSI web landing page.

(iii) A working group formed by Executive Board members and Marcelo Visconti must be set up in order to review the CSI governance structure and to define a communication approach (narrative, contents and website landing page), for the purposes of aligning the CSI Steering Committee and the RTRS Executive Board, giving clearer information to soy stakeholders, increasing funding, etc.
These tasks should be carried out before the Executive Board meeting to be held in November this year.

(iv) The alignment between the CSI and RTRS should be part of 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.

4. Approval of the write-off of the debt of Young’s Seafood Ltd, with respect to the Annual Membership Fee for the year 2017.

The Executive Board members are informed that Young’s Seafood Ltd has formally asked RTRS for the write-off of its debt with respect to the Annual Membership Fee for the year 2017, arguing that the company joined RTRS in October 2017, thus it was unable to make use of the RTRS membership during the almost two remaining months of 2017.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“The write-off of the debt of Young’s Seafood Ltd, with respect to the Annual Membership fee for the year 2017 is approved (by consensus).”

5. Approval of the change of the registered office of the representation of RTRS in the Argentine Republic to Cuba 1940, sixth floor, Office No. 602, Autonomous City of Buenos Aires.

Marcelo Visconti explains that since the RTRS Secretariat moved its offices to Cuba 1940, sixth floor, Office No. 602, Autonomous City of Buenos Aires, the change of the registered office of the representation of RTRS in the Argentine Republic should be approved by the Executive Board and further registered with the Public Registry of the Autonomous City of Buenos Aires.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“The change of the registered office of the representation of RTRS in the Argentine Republic to Cuba 1940, sixth floor, Office No. 602, Autonomous City of Buenos Aires, is approved (by consensus).”
6. Approval of (i) the transfer of ALDI International Services GmbH & Co. oHG’s membership to HOFER KG; (ii) the use of the name ALDI SOUTH Group on RTRS’ marketing communications; and (iii) the use of both names (“ALDI SOUTH Group - HOFER KG”) within the RTRS Trading Platform.

RTRS has received a letter from HOFER KG informing that due to organizational changes within ALDI SOUTH Group, which became effective as of February 1 2019, the activities of the department named “Corporate Responsibility International” of ALDI International Services GmbH & Co. oHG were assumed by HOFER KG, a company organized and existing under the laws of Austria and a member of the ALDI SOUTH Group.

In addition, in the mentioned letter ALDI International Services GmbH & Co. oHG’s has requested RTRS to (i) transfer ALDI International Services GmbH & Co. oHG’s membership to HOFER KG; (ii) allow the use of the name ALDI SOUTH Group on RTRS’ marketing communications; and (iii) allow the use of both names (“ALDI SOUTH Group - HOFER KG”) within the RTRS Trading Platform.

Considering that HOFER KG will be taking over the responsibility for the operational agenda towards RTRS, it seems advisable to assign ALDI International Services GmbH & Co. oHG’s membership (including all rights and obligations) to HOFER KG, without the need for the latter to go through the formal procedure of acceptance set forth in the RTRS Statutes, and agree to the requests made by such Member.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“(i) The transfer of ALDI International Services GmbH & Co. oHG’s membership to HOFER KG is approved (by consensus);”

“(ii) The use of the name ALDI SOUTH Group on RTRS’ marketing communications is approved (by consensus);” and

“(iii) The use of both names (“ALDI SOUTH Group - HOFER KG”) within the RTRS Trading Platform is approved (by consensus).”

7. Possible areas of mutual collaboration between RTRS and GRSB and the possible actions to achieve synergies.

Due to the lack of time, the Executive Board members decide to postpone the discussion of this item until a future Executive Board meeting.
8. Discussion about the implementation of the resolution taken by the Executive Board on February 20, 2019, regarding the deforestation and labor conditions assessment in Brazil.

Due to the lack of time, the Executive Board members decide to postpone the discussion of this item until a future Executive Board meeting.

9. RTRS NGOs engagement plan:
- Approval of the short list of NGOs to engage with.
- Approval of key messages to communicate and engage with NGOs.

The RTRS NGOs engagement plan will be kicked off in September 2019 and will continue throughout the fourth quarter of 2019. Such plan has included all the requests and instructions of the Executive Board members.

The Executive Board members are informed that the RTRS NGOs engagement plan’s objective is to allow RTRS to engage with a group of key NGOs (3 or 4 in 2019) and establish itself as a valuable partner within the EU discussions, taking into consideration that the European Commission has published its “Communication on Stepping Up EU Action to Protect and Restore the World’s Forests” in July 2019, which provides a great opportunity for RTRS. She further remarks that the selection of NGOs was made measuring their level of engagement with the EU institutions and explains that the engagement strategy and briefing material to be developed in respect thereof will be tailor-made for each NGO focusing on the areas that they have in common with RTRS.

Ulises Javier Martinez Ortiz asks Marcelo Visconti to represent RTRS in this process and participate at the engagement meetings with a European Executive Board member.

Laura Villegas confirms that Marcelo Visconti will participate in the meetings and informs that Hill & Knowlton (H&K) will also join certain meetings and will brief RTRS’ representatives in order to guarantee an effective performance of the RTRS NGOs engagement plan.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

**The RTRS Executive Board resolves the following:**

“The RTRS NGOs engagement plan, including (i) the approval of the short list of NGOs to engage with, and (ii) the approval of key messages to communicate and engage with NGOs, is approved (by consensus).”


The final version of RTRS’ position paper on the EC Communication on Stepping up EU Action Against Deforestation and Forest Degradation is presented. This position paper will be used as a basis for engagement to support the discussions during the meetings with the EC that are estimated to be held between October and November this year.
Laura Villegas remarks that despite the fact that the EC Communication is not binding, it provides a great opportunity for RTRS to position itself as the main key player and to drive the EU actions aligned with RTRS’ vision, taking into consideration that one of the five key recommendations contained in such communication provides for the establishment of a platform for multi-stakeholder and members state in order to dialogue on deforestation and the strengthening of standards and certification schemes in order to promote deforestation-free commodities.

As a result of the RTRS EU|EC engagement plan, RTRS will be able to position itself as both an owner of a robust and credible certification scheme and a global multistakeholder platform on responsible soy that creates initiatives to empower this mission (such as the RTRS Annual Conference, the Task Forces in Brazil and Europe, the CSI, among others). These are aspects that can support/help the EC in reaching the objectives outlined in the EC’s Communication on Stepping up EU Action Against Deforestation and Forest Degradation.

In the absence of any objections, Luiz Carlos Iaquinta Filho confirms that the Executive Board approves the resolution.

The RTRS Executive Board resolves the following:

“The Final version of RTRS’ position paper on the European Commission’s Communication & Engagement plan (EU|EC) is approved (by consensus).”

11. August 2019 Key Performance Indicators (KPIs) & Priorities Update.

Due to the lack of time, the Executive Board members decide to postpone the discussion of this item until a future Executive Board meeting.

12. Any other business.

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

13. Closing.

The meeting is closed on Tuesday, September 10, 2019 at 17:20 CEST time.

September 10, 2019.

[Signatures]

Luiz Carlos Iaquinta Filho
RTRS Treasurer

[Signatures]

Marcelo Visconti
Executive Director of RTRS