



To: Miguel Hernandez
RTRS Executive Secretary

From: Christopher Wells
Banco Real / ABN AMRO Environmental Risk Manager, Latin America

Cc: Silvia Chicarino
Banco Real / ABN AMRO Environmental Risk Analyst

Date: April 16, 2007

Re: Banco Real / ABN AMRO activities in Latin America related to soy value chain

As per the RTRS by-laws, I hereby report on our activities in promoting sustainability in the soy value chain during 2007. For confidentiality reasons, we cannot name several of the clients cited in this report.

I apologize for the delay.

- (1) We have asked several of our Brazilian and Paraguayan soy trader/crusher clients about what they are doing with respect to ensuring that soy is grown in a more responsible way by their suppliers (farmers). We have made it clear that this is an increasingly important issue for us.
- (2) In approving financing for agribusiness clients in Brazil and Paraguay, we have checked environmental licenses and used Google Earth to see if the farms comply with ABN AMRO policies, including our policy of not financing any project where there was native forest cutting in the last five years.
- (3) We declined financing for a new soy crushing facility that was to be located within the Amazon region.
- (4) I participated in the critical review of Bunge's 2006 sustainability report for its Brazilian operations. I asked for more information on supply chain issues in the next report.
- (5) At the suggestion of Abiove, one of our environmental analysts, Erondina Gomes, participated in a debate in Brasília on the licensing system for rural properties (SLAPR's). She was the only representative of a bank at the debate.
- (6) Several people at ABN AMRO in Brazil approached companies and NGOs about becoming members of the RTRS. Of those contacted, Sementes Selecta, SLC (both based in Brazil), Rabobank, Carrefour and The Nature Conservancy joined the RTRS.

