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Leading Brands, Progressive Palm Oil Producers and NGOs Confirm Deforestation-Free Palm Oil is Available to European Market

Palm Oil Innovation Group (POIG) urges Iceland grocery store chain to join the group, build a more responsible palm oil industry

The Palm Oil Innovation Group (POIG), in response to recent <u>news reports of the UK-based grocery store</u> <u>chain Iceland's decision to ban palm oil in its branded products</u>, confirms that it does now offer deforestation- and exploitation-free palm oil to the global market, and encourages Iceland to join its members in building a truly responsible palm oil industry.

Iceland's move highlights the palm oil industry's inability to deliver responsible palm oil, as current palm oil certification schemes have not yet guaranteed palm oil that is deforestation-free, not planted on peat and not produced through the exploitation of workers and communities. To meet the growing demand for a higher standard, the POIG formed as a multi-stakeholder forum of global NGOs, consumer goods manufacturers and progressive palm oil companies. The group issued the following responses to the recent news:

"The POIG shares Iceland's concerns. To address the social and environmental impacts of irresponsible palm oil production, we recommend that retailers and manufactures demand traceable, transparent and third party verified responsible palm oil. Eliminating palm oil is not the solution to deforestation, as this risks simply shifting the problem to other regions," said Gemma Tillack, Forest Policy Director for Rainforest Action Network (RAN).

"Palm oil can, and should be, produced in a way that that ensures human rights, including the rights of workers and local communities, are respected and palm oil is produced without destroying rainforests and peatlands. The POIG is the only multi-stakeholder initiative that currently demonstrates best practice in the palm oil sector and sets a credible and verifiable benchmark that builds upon the valuable work of the Roundtable on Sustainable Palm Oil (RSPO). To truly make an impact and show leadership in

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the palm oil space, companies like Iceland should join POIG and purchase POIG verified oil, which is available right now, " said Matthias Diemer, Co-chair of the Palm Oil Innovation Group (POIG).

"With this decision, Iceland loses the opportunity to actually contribute to the protection of environment and human rights, because isolating themselves from collective efforts will not help to solve palm oil supply chain sustainability issues. Yet, the real impact of such a decision is unknown, since there is no reliable and transparent traceability system in place for alternatives to palm oil," said Tulio Dias, Corporate Sustainability Manager of Agropalma, a Brazilian palm oil company and founding member of POIG.

"Additionally, due to vastly inferior yields, alternatives to palm oil may present increased threats to ecosystems and biodiversity," said Michelle Desilets, Executive Director of Orangutan Land Trust.

"Only a concerted effort by all concerned stakeholders will transform the situation on the ground where palm oil is produced. We firmly believe that only proactive engagement will yield practical results," said Laura Roth, Sustainability Manager, Americas of Barry Callebaut.

The Palm Oil Innovation Group (POIG) would welcome Iceland to join as a member if the company was committed to playing a proactive role in creating transparent and responsible supply chains and breaking the link between palm oil production and the destruction of forests and peatlands, the exploitation of communities and workers, and climate change.

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About Palm Oil Innovation Group (POIG)

The Palm Oil Innovation Group (POIG) is a multi-stakeholder initiative that strives to achieve the adoption of responsible palm oil production practices by key players in the supply chain through developing and sharing a credible and verifiable benchmark that builds upon the Roundtable on Sustainable Palm Oil (RSPO), and creating and promoting innovations. Founded in 2013, the initiative was developed in partnership with leading NGOs as well as with progressive palm oil producers.

To learn more about POIG, visit <u>www.poig.org.</u>