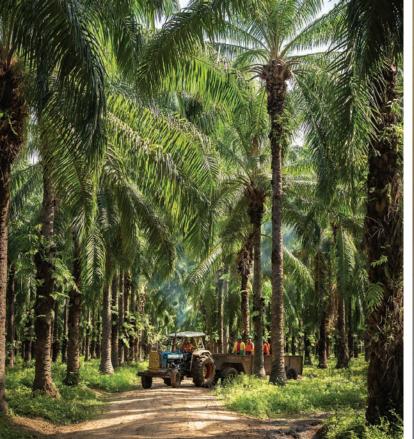


Choose choose taimable palm

Once sidelined as an unhealthy option for people and planet, sustainable palm is making a comeback as new research and practices prove old ways of thinking wrong.

ushing aside the fat-free fads of the past, healthy fats are now finding themselves back in the spotlight—for many good reasons. This is positive news for sustainable palm oil, which is redefining the palm landscape by turning the bad reputation of non-sustainable producers into another good story for both the health of people and the planet. >>







On the healthy planet front, these days, consumers are keenly focused on all things sustainable, even with the pandemic. According to research from the Yale School of Forestry and Environmental Studies and New York University's Center for Sustainable Business, 85% of people claim they have been thinking about product sustainability the same or even more during the pandemic, and in 90% of product categories, those that are sustainable are outperforming their conventional counterparts. Nowhere is this more important than with palm oil.

"Our company has been committed to sustainability for over 30 years," says Felipe Guerrero, sustainability director at Daabon, the first certified organic palm producer and a leader in the sustainable palm movement. Now, more than ever, he says, "Our customers are interested in what it really means to be part of a responsible supply chain. When they buy a chocolate bar, they want transparency and traceability—and they want to be buying from a company with ingredients they can trust."

Retail companies agree. "We and our customers feel it is incredibly important to use sustainable palm oil in our products," says Sarah Jones, founder of Miss Jones Baking Co, which offers an innovative line of baking mixes and frostings that are organic, free of artificial flavors and hydrogenated oils, and are 100% responsibly sourced. "It not only benefits the planet but also the local communities. As palm oil has become more known as a healthier alternative to hydrogenated oils, its usage has skyrocketed." >>



"The commitment to sustainability in our company has been for over 30 years."

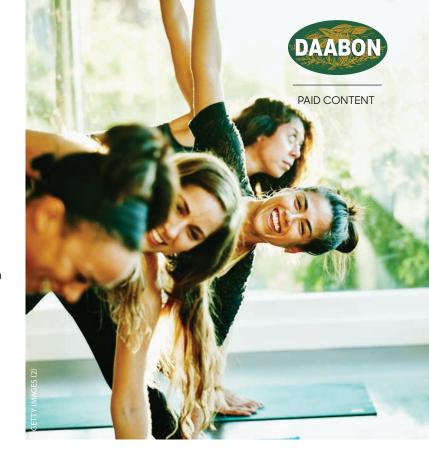
- FELIPE GUERRERO
SUSTAINABILITY DIRECTOR,
DAABON



FROM HEALTHY PLANET TO HEALTHY PEOPLE

Now, sustainable palm has a healthier-for-you story to tell, too. Looking at what is happening with fat begins with some history and the start of the low-fat craze in 1977, when the U.S. Senate Committee on Nutrition presented a nutrition report to Congress. This report emphasized the health benefits of lower fat, higher carbohydrate diets, a surprisingly far-reaching move that set into motion decades of fat avoidance. Fast forward 40-plus years and this low-fat initiative is now considered to be a colossal fail—rather than causing people to get healthier, obesity and obesity-related illnesses continued to skyrocket all those years.

Now, here we are in 2021, and the days of banishing fat from one's diet, as an attempt to lead a healthier and better life, are gone. The fat-free era has met its match and healthy, full fats have made a comeback. Today, fat has landed solidly in our lexicon as much more than a buzzword, making palm, coconut, avocado and other plant-based fats acceptable again.



Fats and oils are no longer seen by consumers as taboo. In fact, they are even desirable—fats and oils supply flavor, usually a rich, full, satisfying taste, as well as an eating experience that is sorely lacking in low-fat products. This, in turn, allows formulators to use less sugar in recipes, no longer needing to compensate for the flavor void that results from stripping out fats and oils. Additionally, it is now understood that certain fats are not actually culprits in weight gain, but, rather, they play a vital role in a balanced diet.

Today, with health and wellness and even plant-based ingredients top of mind for consumers, many wellness-oriented shoppers understand which types and sources of fat are beneficial for the body. As more and more consumers seek out plant-based foods and beverages, whether for health or environmental reasons, or both, plant-based fats and oils carry major appeal. Consumers also expect these products to be clean, sustainably sourced and even organic or non-GMO.

A 2020 study found that people have less fear about fat and are actually wanting to increase the intake of healthy fats in their diet. This movement is supported by emerging research demonstrating the benefits of consuming certain types of fats to achieve optimal health and wellness, including healthy weight management, stronger brain function and even cancer prevention. In fact, the American Heart Association reports that despite the bad rap, fats *are* needed in the diet. >>



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PLANT BASED OILS IN THE SPOTLIGHT

A 2019 report in *Food & Beverage Insider* reports that this heightened demand for healthier fats and oils is impacting all food and beverage categories, particularly indulgent goodies like cookies, cakes and confectionery that contain higher fat content. The good news is that fat and oil technologies are keeping pace with the dynamic needs and preferences of today's marketplace, and brands are turning to ingredient suppliers for healthier options that don't compromise taste or function.

Getting particular attention are plant-based oils as they are part of the ever-growing focus on plant-based eating. Ample research supports the myriad health benefits of plant-centric diets, including reduced risk of heart disease, obesity and type 2 diabe-

tes. Thus, while nutrition isn't the only driver of the plant-based trend, it's the leading one. According to a September 2020 Gallup poll of consumers who report eating meat less often, rarely or never, 70% ranked health as their top motivation. And in a June 2020 survey by food innovation firm Mattson, 65% of respondents named health as their primary reason for eating plant-based foods, with aging baby boomers and Gen Xers even more likely to list health first.

Post pandemic, as consumers continue focusing on all things better-for-you, this movement is even stronger. Consumers are making more informed choices, and health remains the top priority for turning to plant-based products. Combined with the shift towards fat, consumers are seeking out and coming back to classic fats, such as palm, soy, safflower, sunflower, coconut and canola oils. >>



PALM OIL AND ITS HEALTH BENEFITS

Out of these, one oil stands out. Palm oil is the most-used vegetable oil in the world, showing up in almost 50% of products on the shelves of grocery stores. It's a major source of cooking oil in Asia and Africa, as well as the premium choice for consumer packaged goods. Contributing to its status as "the world's oil" is its diversity—with its high smoke point and neutral flavor it is suitable for use in many food applications, such as frying, specialty fats, margarines, shortenings and vegetable ghee. You can see by the brilliant red color of crude palm that it is bursting with antioxidants, and it's this quality, combined with its natural balance of fats—50 percent unsaturated fatty acids and 50 percent saturated fats—that researchers believe creates its healthfulness. Palm oil has been used for thousands of years, but now new research is emerging pointing to full body benefits.





HEART HEALTH

Palm and oil and heart health has not been without controversy, but a 2021 research review in the *Singapore Medical Journal* reports that whereas saturated fats from meat were directly associated with higher cardiovascular risks, saturated fats from plant sources had no effect on cardiovascular risks. In fact, research shows that palm oil is no more injurious to cardiac health than the oils that have more typically been perceived to be healthy, such as canola or sunflower oil.

Palm oil is rich in antioxidant vitamins A and E, monounsaturated oleic acids and polyunsaturated linoleic acids, which all have cardioprotective properties. In addition to promoting lower cholesterol, palm has also been shown to prevent plaque buildup in the heart.



CANCER

Scientists from Davos Life Science
Singapore have shown that a
compound called gamma-tocotrienol found naturally in palm oil kills
breast cancer cells. Gamma-tocotrienol directly targets cancer cells
by inhibiting Id1, a key cancer-promoting protein, causing the cancer
cells to self-destruct. Other studies
have shown the same effect in prostate cancer and melanoma, as well.

Similar to the research on heart health, a study in *Journal of the National Cancer Institute* on more than 500,000 people found that while animal fat can be associated with cancer in the pancreas, polyunsaturated, saturated or monounsaturated fat from plant food sources is not.



BRAIN & METABOLIC HEALTH

Palm oil is the only oil on the market rich in alphatocotrienol, a form of vitamin E that is considered the most neuroprotective of the vitamin Es—but is also among the lowest form reported about. A 2020 review of 18 animal and cellular studies found that palm oil improved cognitive function in healthy animals while also having neuroprotective effects against Alzheimer's disease.

Additionally, the high blood sugar of diabetes, a disease believed to be highly inflammatory, creates a double whammy in the body—with an *increase* in free radicals and a *decrease* in the body's natural antioxidant defense system to fend them off. In the same study above, palm oil was found to improve this response in animals with diabetes, boosting cognitive function and decreasing neuro-inflammation.

Finally, a 2019 meta-analysis of human studies found that palm oil performs as well on sugar metabolism in the body as olive and other plant oils. >>



A HEALTHY SUBSTITUTE FOR TRANS FATS

For years, trans fats, which have been linked to increased LDL, or "bad" cholesterol, and decreased HDL, or "good" cholesterol, have tainted an array of packaged and fast foods, from baked goods to French fries to coffee creamers. Even the most health-minded of us have consumed them, especially before manufacturers were required to list these partially hydrogenated oils on labels. In 2015, the FDA stripped partially hydrogenated oils (PHOs), the main source of artificial trans fats, of their GRAS (generally recognized as safe) status and banned their use in most food products by 2018. The World Health Organization (WHO) has also called for the elimination of trans fats from the global food supply by 2023, a move the agency said would reduce the number of CVD-related (cardiovascular disease) deaths associated with trans-fat intake. Consumers are taking notice. Trans fats are now the most avoided fats by shoppers, and in replacing it, formulators must balance functionality with the healthfulness demanded by savvy customers. Palm achieves this, naturally.



"Palm is one of the very few, if only, oils that is a suitable substitute for hydrogenated oils," says Jones. "The problem with hydrogenated oils from a health perspective is that they include trans fats, which are known to contribute to heart disease. Trans fats are created through the hydrogenation process that makes naturally liquid oils into solids at room temperature. Palm oil is naturally solid at room temperature so it doesn't have to go through the hydrogenation process and therefore doesn't contain any trans fats."

According to *Nutritional Outlook*, "the most attractive substitute may actually be palm oil. Its combination of formulation flexibility, abundant supply and cost efficiency put palm oil at the front of the pack. The big challenge is ensuring

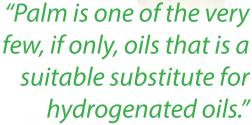
it's produced sustainably."

BETTER FOR BODY AND PLANET, TOO

Just as important as the healthfulness of our food is how it's produced and how it affects the planet—leading palm producers are keenly aware of this.

Today, "better-for-you" has moved beyond health claims to a broad category of health and wellness values—the most desired products are now made according to strict standards such as clean label, organic, non-GMO, sustainable and traceable. The natural foods industry has been ahead of this curve, creating food via sustainable practices that mitigate climate change, create a fair food-supply chain and meet consumers' deepest social and emotional needs.

The majority of consumers across all demographics are willing to pay more for products that are sustainable, and the pandemic has not slowed this trend. A 2021 survey found >>



- SARAH JONES
FOUNDER,
MISS JONES BAKING CO





that 78% of shoppers are more willing to purchase a product that is environmentally friendly. Research around sustainable food is even more profound. A new report from the International Food Information Council (IFIC) found that when asked which aspects of an environmentally sustainable diet are important to consumers, "what I eat is healthy for the planet" was the top response, even more than healthfulness for the body.

"Our sustainable palm oil partner [Daabon] has developed a cooperative farming relationship with local farmers to help them produce sustainable palm and at the same time increase the productivity of their farmland," says Jones. "No rainforests are ever cleared for new production—only existing farmland is converted into use for palm trees. Emissions are measured and projects are undertaken so that the entire supply chain is carbon neutral to negative. Palm done responsibly can be a win-win situation for producers, consumers and the environment."

Additionally, growing plants in general is much more efficient than raising animals. Therefore, even replacing some animal products in one's diet with plants can have a big environmental impact. Project Drawdown, a nonprofit focused on greenhouse gases, asserts that if 50% of the world's population were to consume about 2,250 calories per day and reduce meat consumption in favor of plant-based foods, it could prevent roughly 65.02 gigatons of cumulative carbon emissions by 2050.

GOOD NEWS FOR PALM

This is all good news for palm, which is in the midst of an environmental revolution. Palm is no longer soley identified with deforestation and environmental destruction; responsible palm producers are now stepping up to ensure that the palm they grow actually protects the environment and the communities behind it. >>

Palm is an incredibly efficient crop, producing more oil per land than any other vegetable oil crop. Research finds that nearly 10 times more land would be needed if oil palm were replaced with olive, soy, canola or corn crops.



Responsible palm producers are not only creating palm that protects people and planet, they are changing the entire industry for the better by raising the standards for all palm companies to abide by. Additionally, palm is an incredibly efficient crop, producing more oil per land than any other vegetable oil crop. Research finds that nearly 10 times more land would be needed if oil palm were replaced with olive, soy, canola or corn crops.

Sustainable palm leaders are creating a better system from the ground up. This includes sustainable energy practices; zero waste systems; a focus on conservation and a vertically integrated business model, where palm can be traced from farm to finished products and certifications, which ensure that every step in the supply change is designed around a greater benefit.

Today, Daabon leads the way with various certifications including: USDA Organic, the most stringent, government-regulated agricultural standard in the United States; Fair Trade, which ensures products are made according to rigorous social, environmental, and economic standards; Rainforest Alliance, which helps conserve rainforest biodiversity and promotes worker livelihood; Non-GMO Project verification, which ensures no genetically modified material ends up in the final product; and Roundtable for Sustainable Palm Oil, which has set global standards for the entire palm oil supply chain to follow.

These positive steps are so effective that the idea of banning palm, once floated by palm critics, is no longer seen as a positive strategy for the environment, and this is now a widely held view supported by both the World Wildlife Fund (WWF) and the Roundtable on Sustainable Palm (RSPO). The path forward is choosing sustainable palm—and as the industry undergoes a major shift, it's clear the majority of palm producers and buyers agree. WWF assessed 227 palm oil buyers in 2021, and of those, a full 86% reported a commitment to 100% Roundtable Sustainable and Certified Sustainable palm oil. There is always more work to do, but the palm industry is committed to continuing to move toward a greater good.

"Integrity is at the core of all aspects of our business," says Esther Meima, Sales Director at Daabon USA. "We are cofounders of the Palm Oil Innovation Group (POIG) and work along with nonprofit organizations to encourage the industry to move toward more sustainable practices. It is important for us to pave the way and show this is possible to do. And, you don't need to give up functionality to source a sustainable product," she adds. In fact, for Daabon, sustainability is the path to prosperity. By protecting the future of the planet, Daabon ensures the future success of palm for generations to come—palm that brings health to both people and the planet!



POIG MEMBERS

































