

Goodman Fielder Commercial Statement

July 2007

The Ecological Impacts of Palm Oil Production

Goodman Fielder recognises the concerns about the ecological impacts of palm oil production. The issue has been raised that rainforest habitats of endangered wildlife, including orangutans, are being cleared to accommodate for new oil palm plantations. The geographical areas of particular concern are Borneo and Sumatra in South East Asia.

Being the largest processor and supplier of edible fats and oils to the Australian food industry, Goodman Fielder takes a pro-active approach in addressing and responding to a wide range of consumer issues, including ecological and environmental concerns.

One such pro-active measure is membership and involvement in the Roundtable on Sustainable Palm Oil (RSPO) – a not-for-profit global association formally established under Article 60 of the Swiss Civil Code. By taking a multi-stakeholder approach, the Roundtable provides a unique forum for the pragmatic co-operation, consideration and promotion of sustainable production and use of palm oil. Goodman Fielder only purchases palm oil from RSPO members – a stance which helps to support and further the work of the RSPO. Goodman Fielder remains committed to actively participating in the activities of the RSPO to ensure an appropriate industry position is developed and maintained.

Australian food manufacturers and the Australian food service industry are accustomed users of palm oil and Goodman Fielder imports significant volumes of refined, bleached and deodorised palm oil from Peninsula Malaysia. Goodman Fielder sources and procures palm oil from well-established plantations, many of which would have been converted from existing rubber plantations over two decades ago. As such, there are no implications of present or planned rainforest destruction in these areas. Goodman Fielder has no contracts with plantations in Borneo or Sumatra for the supply of palm oil.

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