



American retirement funds are destroying rainforests Innovative new web tool empowers citizen investor action on deforestation

WASHINGTON, D.C. – July 26, 2016 – A new transparency tool, “**Deforestation Free Funds**,” shows which global mutual funds contain palm-oil-related holdings, the fastest growing cause of rainforest destruction today. Friends of the Earth and As You Sow created this [free online database](#) to allow individual investors, for the first time ever, to determine their links to tropical deforestation and land grabs. The tool then [empowers investors](#) to demand deforestation-free investment options and responsible policies from workplace retirement plan managers and major fund families.

The search platform, which currently encompasses 6,500 global mutual funds, will be expanded in the future to include all market drivers of deforestation. Currently, some 10 percent of the global palm oil industry is financed by equity investors, including many mutual funds. As of June 2016, U.S. mutual funds had a net investment of more than \$5 billion dollars in palm oil producers.

Andrew Behar, CEO of As You Sow, said, “Investments in palm oil are embedded in our pension funds, IRAs, and 401(k)s but most of us are not even aware of it. This web tool empowers investors to know exactly what they own so that they can pressure fund managers to implement sustainable investment policies and find investment options that support a forest-friendly future.”

A [new report](#) by Friends of the Earth, which accompanies the database, names the top 10 U.S. asset managers invested in palm oil production, including BlackRock, Vanguard, CalPERS, TIAA-CREF and Dimensional Fund Advisors. The report also shows that none of these firms have clear criteria for disclosing or avoiding risks related to deforestation and land rights. “**Are You Invested in Exploitation?**” outlines ways that these institutions can take greater responsibility for the social and environmental impacts of their investments.

Jeff Conant, senior international forests program manager at Friends of the Earth, said, “When Americans put their hard-earned money in savings and retirement accounts, they believe they are preparing for a better future. But large asset managers undermine that very future, globally speaking, by putting this money into destructive agribusiness firms, generally through complex investment chains and failures in due diligence. Financial managers must stop investing in companies that grab land from subsistence farmers and Indigenous people in order to install massive plantations with dangerous, low-wage labor.”

The rapid expansion of oil palm plantations across the tropics has caused [social conflict and human rights abuses](#) in countries like Indonesia, Liberia, Nigeria, Guatemala and Malaysia. Destruction of native rainforests is driving orangutans, Sumatran tigers and other endangered species to the edge of extinction. Processed palm oil is used ubiquitously in over half of the packaged consumer products on shelves today, including lotions, shampoo, toothpaste, cookies, breakfast bars, instant noodles and donuts. It can be very challenging for consumers to avoid palm oil; this joint effort focuses on [shareholder advocacy](#) as an avenue to greater tropical forest protections.

In the past few years, thanks to public pressure, dozens of consumer brands and palm oil traders have promised to stop burning and destroying forests, grabbing land, and abusing human rights. But [promises have been slow to materialize](#), and the finance industry has yet to address its role in driving destructive palm oil expansion. Furthermore, as “Are You Invested in Exploitation?” argues, the palm oil sector has concentrated tremendous



wealth and power in countries with weak democracies and poor human rights records. These conditions enable corruption--something that investors should studiously avoid.

The tool highlights socially responsible funds that carefully consider issues like the environment and human rights. Some of these funds invest in companies specifically to gain a voice at the table, engage management and create real improvements in the company's behavior. If individuals look up their investments and aren't satisfied, Deforestation Free Funds can show them better-rated alternatives, and amplify their calls for reform. Future evolutions of the website will include information about all commodified sources of deforestation, including timber, paper, cattle, soy and sugar.

For more information, visit DeforestationFreeFunds.org.

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[As You Sow](#) is a nonprofit organization that promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies.

[Friends of the Earth](#) fights to create a more healthy and just world. Our current campaigns focus on promoting clean energy and solutions to climate change, ensuring the food we eat and products we use are safe and sustainable, and protecting marine ecosystems and the people who live and work near them.