

# Our Shea Policy

## ESG 4

September 2020 | Version 1.0



## 1. Overview

Shea nut oil, also known as shea butter, is produced from the oily kernels of shea seeds. The shea tree is found in sub-Saharan West, East and Central Africa. Collection and processing provide employment to 16 million people, mainly women, and is an important source of income for rural communities.

Shea seeds are considered a sustainable crop as they are collected from trees that grow in the wild, without the need for irrigation, fertilizers, and pesticides. Shea gives a creamy, spreadable texture to our plant-based spreads and margarines. It can be used as a substitute for palm oil. However, as the trees grow slowly, over vast areas and are difficult to cultivate, it is unlikely that shea could be scaled sustainably to replace palm oil globally.

Flora Food Group is committed to the responsible and sustainable sourcing of all our ingredient. Whilst shea is widely considered to be a sustainable crop, we also recognise the potential safety, labour, environmental and economic risks associated shea nut oil collection and processing and are committed to working with partners across the value chain to help address these issues.

## 2. Our Principles

Our position on shea is guided by the sustainability priorities laid out by the Global Shea Alliance, a multi-stakeholder collaboration with representation from women's groups, non-profit organisations, brands, retailers, and suppliers.

In addition to our Responsible Sourcing Policy and Human Rights Statement, for shea sourcing we expect our suppliers to implement to these principles in their supply chains

- Enable economic empowerment for collectors through financial literacy training, market transparency and good business practices.
- Increase income by providing training on quality improvement, good harvesting and processing practices and crop diversification.
- Improve the safety, health & welfare of collectors by addressing the underlying working condition, including exposure to open fires and smoke inhalation and safe collection methods.
- Respect land tenure rights and ensure that access to shea trees and parkland is protected for women collectors.
- Implement environmental protection and regeneration measures to help communities maintain the shea ecosystem and shea trees, increase longer term food security, and to protect areas of high conservation value.
- Improve traceability and training along complex supply chains to ensure good practice by middlemen and traders.

## 3. Implementation Action Plan

All suppliers of shea butter and its derivatives are required to work with their supply chains to implement these principles and to evidence progress. As a member of the Global Shea Alliance, Flora Food Group will also directly support projects and partnerships which to enable the adoption of these principles.

#### 4. Governance

Flora Food Group's Chief Procurement Officer and Director of Sustainability & ESG are responsible for implementing our Shea Policy.

The Compliance Committee includes representatives of Flora Food Group's Board and Executive Committee is involved in the approval process for our Shea Policy. The Compliance Committee is accountable for Flora Food Group's policy framework.

<b>Policy Number:</b>	ESG4
<b>Policy Ratified on:</b>	01/08/2020
<b>Version</b>	1