



Introducing NEW LIPEX[®] SheaSoft TR[™]

AAK Personal Care



The Co-Development Company

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Target audience and toolkit overview

Target audience

Two groups of potential customers:

- Those with a focus on CSR for whom traceability of ingredients is mandatory. Primary messaging to focus on Kolo Nafaso provenance:
 - Produced using only shea kernels from a segregated supply chain fully traceable to the AAK Kolo Nafaso direct sourcing program in West Africa.
 - Meets demand for renewable, sustainably sourced ingredients that positively contribute to social, economic and environmental well-being.
 - Through membership of the AAK Sustainability Partner Program, cosmetic manufacturers can actively increase the social value of their brands through investment in targeted projects with the Kolo Nafaso women's groups.
- Those who are looking for solutions to the 'pains' of formulating with standard refined shea butter. Primary messaging to focus on the problems solved by enhanced functionality:
 - High melting point and rapid crystallization pattern ensure smooth, rich, homogenous formulations with improved thermal stability and long shelf life – reduces the risk of bloom and recrystallization associated with standard refined shea butter so easier for formulators to work with.
 - Slow, smooth melting profile gives a unique creamy texture and enhanced sensory benefits – delivers better results
 - Soft, pliable texture delivers long playtime and forms a protective lipid barrier on the skin to reduce trans-epidermal water loss (TEWL) and improve moisture content over a 24-hour period – proven results/reason to believe.

Functionality is a secondary message and reason to believe.

Traceability is a “nice” but not need to have benefit.

Toolkit overview

Comprehensive slide deck that can be adapted for targeted webinars and online sales presentations, including:

- New video animation to show optimized crystallization pattern of Lipex SheaSoft TR™ vs standard refined shea butter
- New video animation showing the unique melting curve vs standard refined shea butter
- New video clips to showcase formulations with 100% fully traceable shea (Lipex SheaSoft TR™ + Lipex SheaLiquid TR™)
- New video materials to support messaging around Kolo Nafaso:
 - role of shea and AAK in environmental protection encompassing benefits of the trees to the local ecosystem and our KN projects.
 - role of extension officers and how KN is increasing employment in West Africa – another example of female empowerment.
 - promotion of the Sustainability Partner program and how customers can engage in projects such as the rocket stove initiative.
- New graphic to explain our segregated vs mass balance supply chains for shea

All video material is uploaded onto the AAK Personal Care YouTube Channel and on [Teams](#).

Environmental, social and economic benefits of shea

Environmental benefits

Every year the shea value chain fixes 1.5 million tons of CO₂ in the soil. Relative to production volumes, every ton of shea kernel produced has a negative carbon footprint of 1.04 tons of CO₂*.

- Positive climate effect
- Fights desertification
- No land clearing, plantations, fertilisers or pesticides
- Harvested manually

AAK runs training projects in West Africa to ensure continued protection of the shea trees and the environment including:

- Tree planting initiatives
- Building and maintenance of safer, more energy efficient rocket stoves
 - 65% reduction in CO₂ emissions
 - 2.5 times more thermal efficiency

Shea waste is being reused at all stages in the supply chain. Shea shells are being promoted as firewood at origin and the shea meal is being used as an energy source in our AAK factory in Aarhus, Denmark, saving 10,000 MT of CO₂ every year.

*Source: Global Shea Alliance and the Food and Agriculture Organization of the United Nations, who are jointly conducting a multi-impact appraisal of the shea value chain in eight countries.



New film on the role of shea and AAK in environmental protection

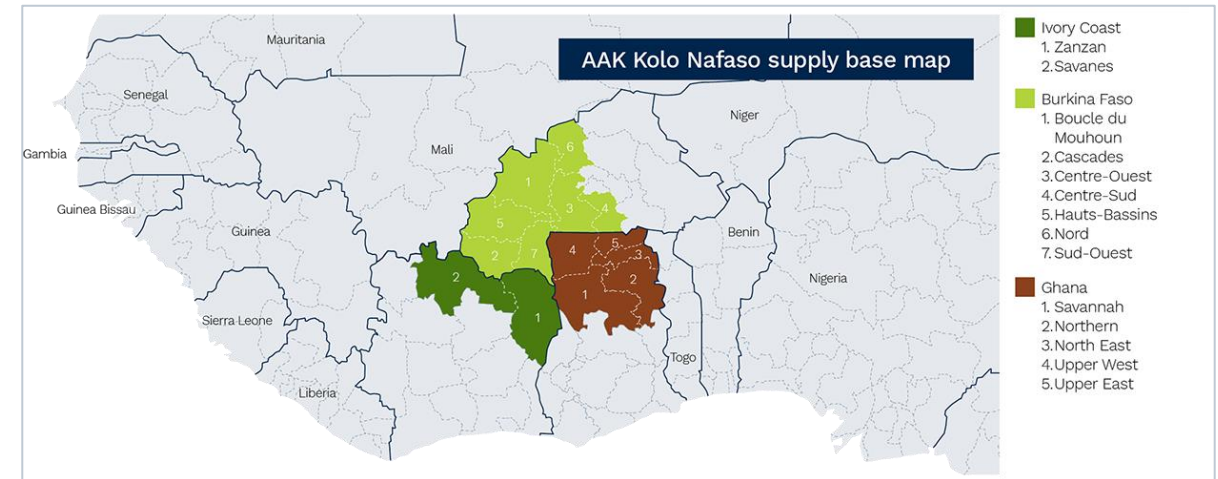
The YouTube link used here is for previewing content only. For a seamless full-screen transition to video when presenting in powerpoint, download the original video from [Teams](#) to your PC. Choose where you want to add the video in your presentation then: insert new slide/insert video (from PC)/select the video from your documents/insert.



Socio-economic benefits

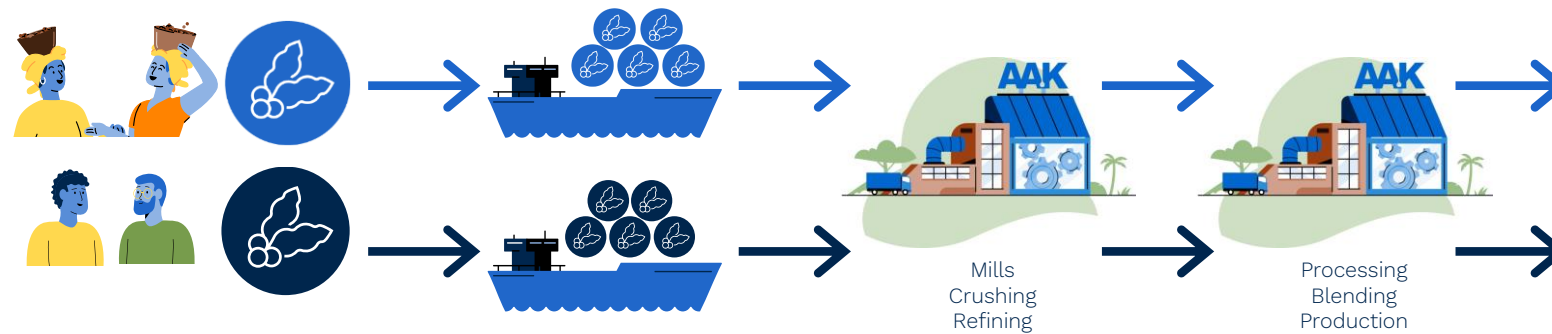
- The shea industry has experienced exponential growth over the past 20 years, with shea exports estimated to have increased by 600 percent.*
- Increasing demand from cosmetic manufacturers is helping to build a bigger, better shea industry and halt rural-urban migration.
- In West Africa around 16 million rural women are involved in the collecting and trade of shea.
- AAK has established a solid and sustainable sourcing system for shea, built up over many decades.
- We operate in eight countries using two parallel supply chains to serve our food, confectionery and personal care divisions. We work in close co-operation with:
 - Conventional shea traders, the middlemen who play an important logistical function in transporting kernels from remote areas to big towns
 - Women shea collectors engaged in our AAK Kolo Nafaso direct sourcing program set-up in Burkina Faso, Ghana and Ivory Coast.

*Source: Global Shea Alliance



Two parallel shea supply chains

Mass balance and segregated supply chains for shea



AAK sources shea kernels directly from the women's groups in our Kolo Nafaso program and from traditional shea traders. With two parallel supply chains, we can offer Personal Care customers segregated (traceable) and mass balance models.

The shea kernels sourced from our Kolo Nafaso program are fully segregated until they reach the mill. At this point, only the kernels needed for production of our traceable products remain segregated. The remainder are mixed with those from traditional shea traders.

In the Personal Care division, the segregated kernels are used for manufacturing the fully traceable shea products in our Lipex range.



The products marked TR are manufactured using only the segregated shea kernels and are fully traceable back to the Kolo Nafaso program.



The mixed kernels are used for producing a wide range of AAK products.

In the Personal Care division, shea products produced from mixed kernels are Kolo Nafaso Mass Balance. That's because we use the same quantity of kernels to produce our shea-based portfolio as AAK as a company purchase from the Kolo Nafaso program. Although it is not a guarantee that Kolo Nafaso kernels are present in our Personal Care portfolio, it is a guarantee that when you buy our mass balance shea-based products, you are helping to support the growth of the program on the ground in West Africa.

NEW Lipex SheaSoft TR™

– climate-neutral, fully traceable semi-solid shea

- Creamy textured shea butter
 - characteristic slow melting profile
 - rapid crystallization
 - improved heat stability
 - documented skin moisturizing benefits.
- Produced using only shea kernels from a segregated supply chain, fully traceable to the AAK Kolo Nafaso direct sourcing program in West Africa.
- Verified climate-neutral, helping customers achieve their scope 3 emissions targets.
- Recommended applications: skin care, dermo-cosmetics, lip balms and glosses.
- Typical use concentrations: 1–5% for lotions and creams, 3–30% for body butters, 2–4% for lip balms and glosses.
- For an improved spreadability and additional moisturizing benefits, partner with Lipex SheaLiquid TR™, our fully traceable liquid shea butter.



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Lipex SheaLiquid TR™

– fully traceable liquid shea

- Low-spreading, highly nourishing liquid shea butter
 - rich in unsaponifiables and linoleic acid
 - suitable for low energy processing
 - versatile and easy to use
- Produced using only shea kernels from a segregated supply chain, fully traceable to the AAK Kolo Nafaso direct sourcing program in West Africa.
- Verified climate-neutral, helping customers achieve their scope 3 emissions targets.
- Recommended applications: suitable for all cosmetic applications
- Typical use concentrations: 1–5% for skin care lotions and creams, 2–10% for lip care and lipsticks, 0.5–4% for hair care.



Technology is the key to cosmetic fit

Our unique value-adding processing allows us to offer a range of sustainable ingredients:

- Kernels are extracted to yield a crude shea butter that is refined or processed further to improve suitability
- Solid shea butters vary in melting profiles and crystallization properties
- Liquid shea butters offer improved skin feel, higher versatility in formulation and the possibility for low energy formulations
- Specialty derivatives can be tailor-made for specific application requirements
- Products marked TR are fully traceable to our AAK Kolo Nafaso direct shea sourcing program, and are also verified climate-neutral





Kolo Nafaso – our direct shea sourcing program

New edit of the original film focusing on the benefits of the Kolo Nafaso program for the women shea-collectors.

For a seamless full-screen transition to video when presenting in powerpoint, download the original video from [Teams](#) to your PC. Choose where you want to add the video in your presentation then: insert new slide/insert video (from PC)/select the video from your documents/insert.



Kolo Nafaso – “the house of benefits of shea kernels”

First launched in 2009 in Burkina Faso, the award-winning AAK Kolo Nafaso direct shea sourcing program is setting new industry benchmarks. There is no comparable set-up in West Africa in terms of either size or scope.

- Engages hundreds of thousands of women, around 8% of the 4 million who collect and sell shea kernels for export.
- Direct trade with the women's groups - no strings attached.
- Pre-financing in spring when resources are scarce
 - 70% of women use the pre-financing money to invest in small holdings, education or other income-generating activities
 - 30% ensure food and basic needs are met
 - AAK has helped thousands of women's groups to open bank accounts since the start of the program
- Training and logistical support
- Quantity bonuses
- Full transparency
- Sustainable business model - empowering women shea collectors, improving livelihoods and securing the future
- Independently verified by Proforest



Empowering women through job creation

AAK has >300 employees in West Africa. This figure includes over 100 local extension officers, a growing number of them female, who are employed by AAK to recruit and support the women's groups in the Kolo Nafaso program.

“Working in the program, I see that I’m helping the women achieve something all on their own. Most women in villages see being a woman as a weakness. This program has shown both me and the women that a woman can work just as well as a man.”

Taiba Issah – AAK Extension Officer,
Walewale, Ghana



New film focusing on the role of extension officers and how Kolo Nafaso is empowering women through employment opportunities in West Africa

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Making beauty matter

Through our Sustainable Partner Program and in collaboration with the Global Shea Alliance and USAID, we enable our customers to engage directly with the Kolo Nafaso women's groups by investing in specific projects, such as the 'rocket stove' training initiative.

- Since 2016, with the support of our sustainable partners, we have taught almost 6,000 women to build safer, more efficient 'rocket stove' alternatives to tradition three stone cookers using locally available materials.
 - 95% say the rocket stoves generate less smoke
 - 93% think that it is easier to cook with rocket stoves.
 - 76% state the rocket stoves free up time

Data from 2019 rocket stove impact assessment conducted by NITIDAE



New film focusing on the benefits of the rocket stove project and customer engagement through our Sustainability Partner Program

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New Lipex SheaSoft TR™ functional benefits

Optimized crystallization pattern

Lipex SheaSoft TR has a higher melting point and a more rapid transition to stable crystal form compared to standard refined shea butter.

- Makes it easier to formulate, process and fill packaging
- Delivers smooth, rich homogenous formulations
- Reduces the risk of bloom and recrystallization typically associated with standard refined shea butters
- Ensures excellent thermal stability and long shelf life.

New film showing the superior crystallization pattern of Lipex SheaSoft TR vs standard refined shea butter

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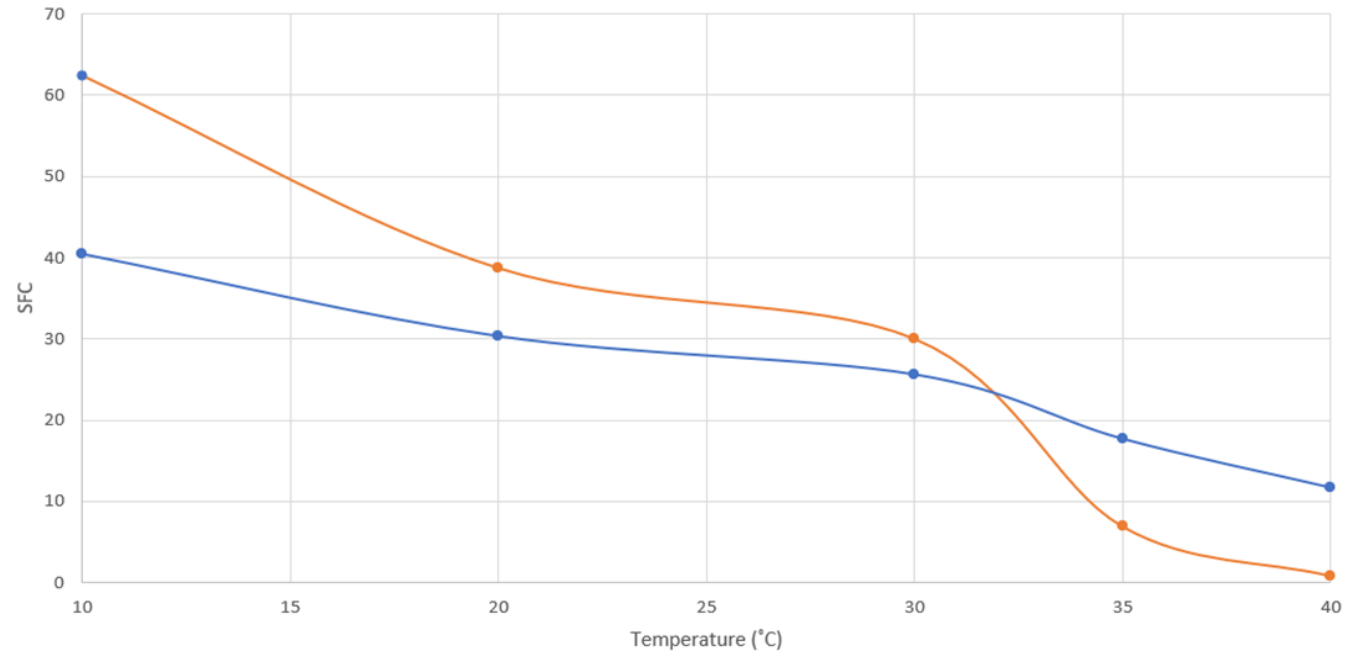
Smooth melting profile

Lipex SheaSoft TR has a flatter melting profile compared to standard refined shea butter, delivering a unique creamy texture and enhanced sensory benefits.

- Lower solid fat content at room temperature indicates a softer, more pliable product
- 20% solid fat content at 35°C (skin temperature) provides long play time during application and a long lasting, soft and luxurious after feel.
- > 5% solid fat content at 40°C can help to stabilize emulsions at high temperatures.

Comparative melting profiles

Solid fat content %



— Lipex SheaSoft TR™ — Standard refined shea butter

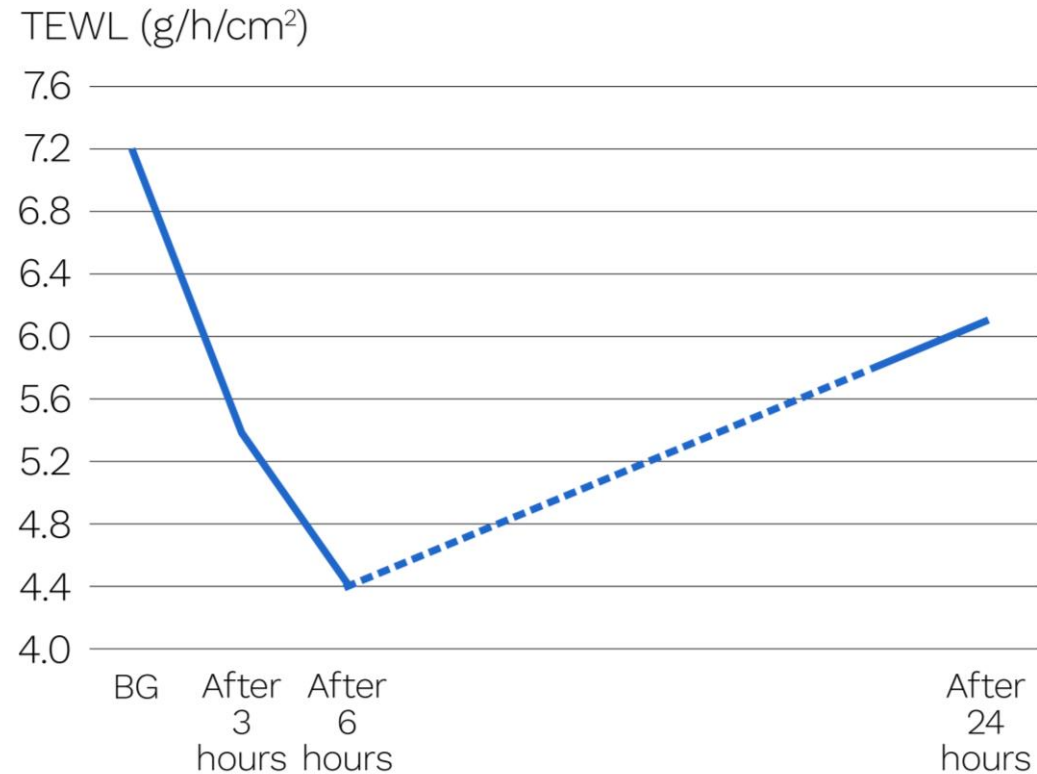
New film showing the benefits of the unique melting profile of Lipex SheaSoft TR vs standard refined shea butter

For a seamless full-screen transition to video when presenting in PowerPoint, download the original video from [Teams](#) to your PC. Choose where you want to add the video in your presentation then: insert new slide/insert video (from PC)/select the video from your documents/insert.



Long-lasting moisturization benefits

An in-vivo study measuring TEWL over a 24-hour period confirms the long-lasting moisturizing and barrier-protecting benefits of Lipex SheaSoft TR.



■ Lipex SheaSoft TR™ used at 20% in an emulsion

On-pack consumer claims and climate-neutrality

What can be claimed on-pack when buying AAK Kolo Nafaso traceable shea ingredients?



PLUS: If AAK traceable shea is the **ONLY** shea-based ingredient used for a particular product or range, then traceability to Kolo Nafaso can be claimed. If AAK traceable shea is mixed with other shea-based ingredients, messaging needs to be based on the %, eg: X% of the shea used in our <brand name> or <product name> is fully traceable to [the AAK Kolo Nafaso] women's groups in West Africa.

Full guidelines on messaging, claim definitions, proof points and impact are available separately.

Lipex SheaSoft TR is also verified as a climate-neutral product

This is the result of a partnership with FairClimateFund to scale a cookstove project generating Fairtrade and Gold Standard carbon credits from the AAK shea supply region, and enables us to:

- Meet industry and society needs to reduce supply chain emissions and mitigate climate change
- Support our customers in reaching their scope 3 emissions targets
- Reduce CO2 emissions and improve health and safety conditions by implementing energy-efficient cookstoves
- Give communities added access to finance through the premium, scheme, which goes back to households for investment in climate adaptation measures to further protect the landscape.
- Empower communities through training.



Claiming climate neutrality

Supporting the customers corporate CO2 reduction targets

- CO2 emissions are lowered in your scope 3

Example:

- If you buy 100MT Lipex SheaSoft TR => it results in a 320 MT carbon emission, but by applying the credits we set this at 0 scope 3 emissions
- As AAK is compensating the emissions and delivering a carbon neutralised ingredient, the reductions can be claimed as scope 3 reductions according to PAS 2060 (a specification detailing how to demonstrate carbon neutrality produced and published by the British Standards Institution)

On product claims

- The carbon neutral shea contributes a lower total carbon footprint of the formulation
- For reformulations this may be relevant to communicate as a carbon emission reduction %
- The climate neutral shea, can only be communicated on pack, if the only shea in the product is Lipex Shea, Lipex SheaSoft TR, Lipex SheaLiquid TR or Lipex SheaLuxe TR.
- Example: *Contains climate neutral shea.*
- The SouthPole Climate Neutral Product stamp cannot be used unless the consumer product has been neutralised, verified and certified by Southpole



Formulations with 100% fully traceable shea

New film showing the sensory attributes of Goodbye Dry Intensive Care for hands and feet

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Goodbye Dry Intensive Care for hands and feet

AAK-19-026

Raw material	INCI Name	w/w %
Phase A		
Polyglyceryl-3 Polyricinoleate	Polyglyceryl-3 Polyricinoleate, Polyglyceryl-3 polyricinoleate	2.50
Akofine R™	Hydrogenated Vegetable Oil, Hydrogenated Vegetable Oil	0.50
Lipex SheaLiquid TR™	Butyrospermum Parkii Butter, Butyrospermum parkii (Shea) butter	15.00
Lipex SheaSoft TR™	Butyrospermum Parkii Butter, Butyrospermum parkii (Shea) butter	15.00
Phase B		
Euxyl K 712	Water, Sodium Benzoate, Potassium Sorbate	0.50
Surfac Magnesium Sulphate FCC	Magnesium Sulfate	1.50
Water	Aqua, Aqua	59.58
Zemea Propanediol	Propanediol	5.00
Phase C		
Citric Acid 20%	Citric Acid	0.27
Phase D		
Floviva Peppermint Oil Piperita	Limonene, Mentha Piperita (Peppermint) Oil, Linalool	0.15

Procedure

1. Weigh phase A and heat to 75 °C with gentle stirring until melted and homogeneous.
2. Weigh phase b in a separate beaker.
3. Use phase C (citric acid solution) to adjust the pH of phase b to 4.8–5.2.
4. Add phase b to phase A very slowly while stirring the mixture (medium-to-fast mixing speed using a propeller) maintaining the mixture at 75 °C. Note that the stirring speed should be increased upon addition of the water phase (phase b).
5. Homogenize the mixture.
6. Allow the formulation to cool to 40 °C and add phase D under gentle stirring until homogeneous.
7. Pour into componentry.
8. The formulation will structure and set over a few hours.

Description:

Water-in-oil emulsion designed to restore dry, cracked hands and feet to baby-soft smoothness, this deeply nourishing, hard-working treatment can also be used on other areas of the body prone to roughness such as elbows, knees, and upper arms. To use as an overnight mask for hands and feet, apply generously and pop on a pair of cotton gloves and socks to help absorption.

Functional and technical benefits:

- Lipex SheaSoft TR™ – delivers long playtime and forms a protective lipid barrier on the skin to reduce trans-epidermal water loss and improve moisture content.
- Lipex SheaLiquid TR™ – provides additional nourishing, moisturizing benefits and an elegant skin feel.
- Unique texture is due to the water-in-oil emulsion.

New film showing the sensory attributes of Saving Face Overnight Rescue Cream

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Saving Face Overnight Rescue Cream

AAK-19-028

Raw material	INCI Name	w/w %
Phase A		
Water	Aqua	72.20
Euxyl PE9010	Phenoxyethanol, Ethylhexylglycerin	1.00
Phase B		
Zemea	Propanediol	3.00
Solagum AX	Acacia Senegal Gum & Xanthan Gum	0.20
Phase C		
Rice PO4 Natural	Distarch Phosphate	1.00
Akoline SL™	Sodium Stearoyl Lactylate	0.30
Phase D		
Floviva Peppermint Oil Piperita	Limonene, Mentha Piperita (Peppermint) Oil, Linalool	0.15
Lipex SheaLiquid TR™	Butyrospermum Parkii Butter	10.00
Lipex SheaSoft TR™	Butyrospermum Parkii Butter	6.00
Lipex PreAct™	Canola Oil*	1.00
Akoline PG7™	Polyglyceryl-3 Stearate	3.50
Tegin 4100 Pellets	Glyceryl Stearate	1.00
Lanette O	Cetearyl Alcohol	0.80

Procedure

1. Weigh in phase A and start to heat to 75°C.
2. In a separate beaker, weigh in phase B, premix and add to phase A. Allow the gums to hydrate and continue to heat to 75°C.
3. In a small beaker, weigh in phase C and leave on the side for now.
4. Weigh in phase D in a beaker and heat to 75°C.
5. Add phase C to the mix of phase A and B.
6. When both phases have reached 75°C, merge them by adding phase D to phase ABC during mixing. Homogenize.
7. Allow the formed emulsion to cool to room temperature during slow stirring.
8. Check pH and adjust to 6.2-6.5 if necessary.

* INCI name listed shows our AAK preference. Olus Oil, Hydrogenated Vegetable Oil, and Brassica Campestris Seed Oil are other possibilities depending on the market. Details of alternatives can be found in the product documentation sheet.

Concept:

Rich yet easily absorbed night cream that works while you sleep to restore the skin's lipid barrier and provide relief to skin sensitized by environmental aggressors. Wake to smoother, calmer and healthier-looking skin – actively prepared to face the day ahead.

Functional and technical benefits:

- Lipex SheaSoft TR™ – strengthens the skin barrier function and delivers the rich, creamy texture.
- Lipex SheaLiquid TR™ – provides additional moisturizing benefits and an elegant skin feel.
- Lipex PreAct™ – anti-inflammatory phytosterols help to soothe, calm and restore a compromised skin barrier, while antioxidant tocopherols prepare and protect skin against future environmental stress.
- The rapid crystallization pattern of Lipex SheaSoft TR™ helps achieve a more glossy formulation appearance.

Lipex SheaLight™ can be added for a lighter texture and also be used as a dispersion for UV filters for a protective day cream. Lipex SheaTris™ can also be included for additional anti-aging benefits.

New film showing the sensory attributes of Redness Relief After Sun Repair Cream

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Redness Relief After Sun Repair Cream

AAK-19-029

Raw material	INCI Name	w/w %
Phase A		
Water	Aqua	69.40
Phase B		
Glycerin	Glycerin	3.00
KELTROL CG-SFT	Xanthan Gum	0.20
Phase C		
Akoline SL™	Sodium Stearoyl Lactylate	0.35
Phase D		
Lipex SheaLiquid TR™	Butyrospermum Parkii Butter	8.00
Lipex SheaSoft TR™	Butyrospermum Parkii Butter	6.00
Lipex PreAct™	Canola Oil*	1.00
Akoline PG7™	Polyglyceryl-3 Stearate	3.50
Lanette O	Cetearyl Alcohol	0.60
Tegin 4100	Glyceryl Stearate	0.30
Phase E		
Nipaguard SCE	Sorbitan Caprylate, Propanediol, Benzoic Acid	1.00
Phase F		
Glycerin	Glycerin	3.00
Frescolat ML nat.	Menthyl Lactate	2.50
Phase G		
WorléeSoft Beads AloeVera	Mannitol, Microcrystalline Cellulose, Hydroxypropyl Methylcellulose, Aloe Barbadensis Leaf Juice Powder, CI 74260, Algin	1.00
Phase H		
Fragrance: Yoga Detox Natflor RS84737	Parfum	0.25

Concept:

Novel and highly effective after sun repair cream with suspended aloe vera beads that burst on application. The green color helps counteract any redness while the rich emulsion soothes, calms and restores the skin's protective barrier.

Functional and technical benefits:

- Lipex SheaSoft TR™ forms a protective lipid barrier on the skin to reduce trans-epidermal water loss. It also builds viscosity and stabilizes the dispersion of the aloe vera beads.
- Lipex SheaLiquid TR™ delivers additional moisturizing benefits through the triterpene content in unsaponifiables, and linoleic acid content.
- Lipex PreAct™ has been shown to reduce skin inflammation and helps to restore a compromised skin barrier function.

Procedure

1. Weigh in water in a beaker and start to heat to 75 °C.
2. In a separate beaker, weigh in phase B and premix. Add the premix to phase A.
3. Add phase C to Phase A.
4. In a separate beaker, weigh in phase D and heat to 75 °C.
5. When both phases have reached 75 °C, merge phases during mixing. Homogenize.
6. Allow the emulsion to cool to 35 °C.
7. Add phase E to the emulsion.
8. In a separate beaker, premix phase F and add to the emulsion.
9. Add phase G to the emulsion during very slow stirring.
10. Add phase H to the emulsion.
11. Measure pH and adjust if needed to 6.2-6.5.

*INCI name listed shows our AAK preference. Olus Oil, Hydrogenated Vegetable Oil, and Brassica Campestris Seed Oil are other possibilities depending on the market. Details of alternatives can be found in the product documentation sheet.

The background of the slide is a close-up, macro photograph of several blue water droplets. The droplets are of various sizes, with some being very large and filling a significant portion of the frame, while others are small and scattered. They are all a deep, vibrant blue color, and their surfaces are highly reflective, showing bright highlights and soft shadows that give them a three-dimensional appearance. The overall composition is abstract and visually appealing.

Thank you!