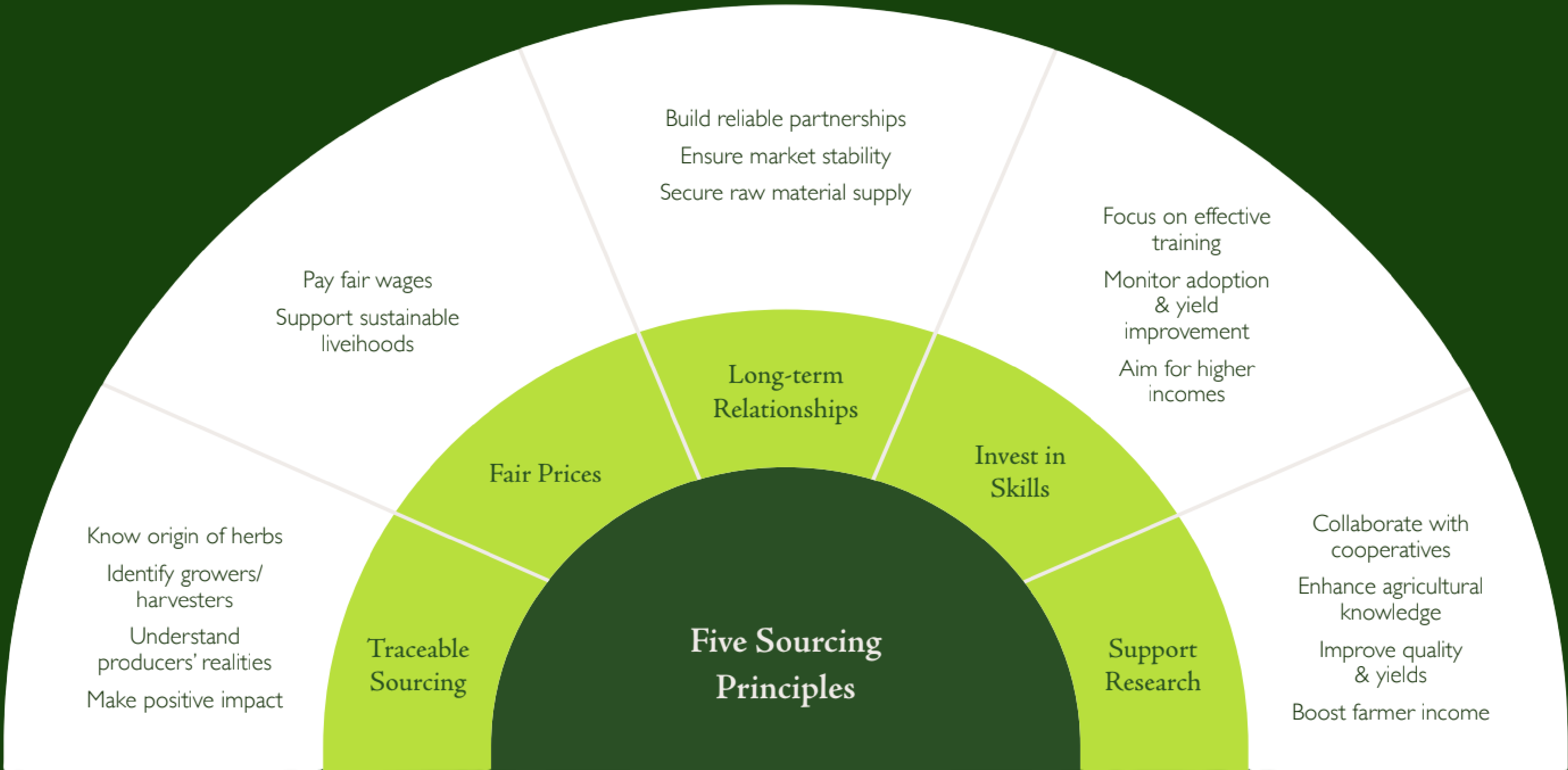


SHI 5 Sourcing Principles

At SHI we recognize that the long term supply of the raw materials on which our companies rely depends on ecologically, economically, socially, and culturally resilient source communities. SHI members commit to these sourcing principles as guideposts of best practices to work toward building wellness and resilience in the human and ecological communities from which our company sources herbs.

This document outlines best practices to work toward this long-term ambition.



Graphic designed by [For Good Studio](#)

OUR COMMITMENTS

The Five Principles

1 **TRACEABLE SOURCING PRACTICES**

Get as close as possible to the farmers, wild harvesters, and processors who harvest, grow, and process the herbs with which you make your products. Knowing the social, environmental, and economic conditions that producers and processors face is essential to taking responsibility for the impacts of your purchasing practices and for implementing meaningful action.

2 **FAIR PRICES**

Commit to making purchasing decisions based on quality and relationships rather than pressuring on price. While not perfect, we believe third-party verified certifications with premiums are one strategy companies can use to ensure they're investing in the long-term human and ecological health and resilience of the communities from which they source.

3 **DEVELOP COLLABORATIVE RELATIONSHIPS**

Think of supplier relationships as a partnership based on mutual trust and transparency rather than a transactional relationship. Commit to understanding and sharing risks, working through challenges together, and developing long-term plans and goals.

4 **INVEST IN PROFESSIONAL DEVELOPMENT AND TRAINING FOR PRODUCERS**

Invest in professional development and training for producers and processors to improve material quality, create marketable, scalable products for commercial selling, and provide greater meaning to the work for farmers, wild harvesters, and processors.

5 **INVEST IN RESEARCH**

Use data to guide decisions and strengthen company practices over time. Support research that helps connect quality, sustainability, and livelihoods across the supply chain. Research helps companies see clearly what's working, what's not, and where to focus investment for lasting ecological and economic resilience. Key areas could include:

- How farming and processing practices affect constituent levels and yields.
- Sustainability of wild harvesting on plant populations.
- Impacts on constituent levels of bringing wild plants into cultivation.
- Impacts of climate change on yields and constituent levels.
- Emissions data, especially Scope 3, to understand true environmental costs.
- How certifications influence ecosystem health and rural livelihoods.
- Ways to manage and reduce risk across sourcing networks.

