



Sustainability Framework

including generic indicators for sustainability and indicators for the EU Deforestation Regulation

Preferred by Nature Sustainability Framework	
Scope	Global
Status of document	Approved
Version	1.4
Date	11 September 2023
Official Language(s)	English
Approval body	Preferred by Nature
Contact person	Christian Sloth
Contact email	csloth@preferredbynature.org



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Introduction

An increasing number of products are carrying sustainability labels and certification schemes have been developed for many commodities. Companies have policies for sustainable sourcing and investors are looking to support responsible development. While existing schemes largely overlap in their view on sustainability, the multitude of schemes has also led to parallel efforts and sometimes market barriers for smallholders and others.

Inspired by existing sustainability schemes and the need to harmonise, the Preferred by Nature Sustainability Framework has been revised to provide a single framework for defining and benchmarking sustainability that can be used across different commodities. The framework consists of **4 principles** and **31 criteria** addressing various aspects of what we believe should be considered before claiming something sustainable.

The indicators of the Sustainability Framework have also been aligned with the [EU Deforestation Regulation \(EUDR\)](#). Organisations looking for a practical list of forest or farm level indicators to align with the Regulation can use the indicators in the Sustainability Framework designated as applicable for the Regulation for this purpose.

The Framework differentiates between indicators applicable to **land-use operations** (e.g. farms and forests) and those relevant to **processing and manufacturing entities**. As such, the Framework can be used by any of these to implement sustainability commitments in their operations.

The Framework indicators capture the requirements for **all scales of operations**. Some of the indicators may not be feasible or applicable to small-scale operations. For practical implementation, the Framework and its indicators

will be adapted to the scale of the operations, its activities' intensity and related risks.

We have carefully designed the Framework to serve **multiple purposes**. It can be used for the verification of forest and farm management, as well as for other sectors, such as financing and tourism. It can also be used by processors, traders, retailers and others to implement a due diligence programme for sustainable sourcing throughout their supply chains for the chosen product scope.

As we **benchmark the Framework against existing certification schemes**, our intention is to recognise the assurance that these already provide rather than duplicate.

The generic Framework is supplemented by risk assessments in our **Sourcing Hub database**, enabling to adapt it locally and focus on the issues which are central for each product and region. Sourcing organisations can use the Framework to map and mitigate sustainability risks in supply chains, making sustainability commitments across any or all of the 31 criteria.

In addition to risk adjustment of indicators specific to a source area, the Framework can be adapted to specific **commodities** or products to allow for more details on issues related to a specific type of commodity or product. For example adaptation to cattle will enable to add focus areas on topics such as methane emissions and feed for cattle.

Organisations verified by Preferred by Nature to address all the Framework criteria will be eligible to use the **Preferred by Nature Seal**, according to the requirements and rules in the Preferred by Nature Seal Use Policy.



The Sustainability Framework

Preferred by Nature’s Sustainability Framework consists of **4 principles** and **31 criteria**. They have been developed to better support organisations and businesses to achieve their commitments as well as market and regulatory demands towards sustainability in land management, trade and processing of forest and agricultural commodities. Indicators relevant to the **EU Deforestation Regulation** have been indicated as such.

Figure 1. Overview of the Principles and Criteria of the Sustainability Framework



This framework document contains the Principles, Criteria and Indicators for setting and verifying sustainability commitments, structured as follows:

Table 1. Division requirements in Principles, Criteria and Indicators.

Principles	Fundamental sustainability elements that are considered globally relevant.
Criteria	Sustainability topics of global relevance to be considered under each principle.
Indicators	Quantitative or qualitative parameters that can be assessed in relation to a criterion. Indicators relevant to the EU Deforestation Regulation are identified, as explained below.

The EU Deforestation Regulation

This version of the Sustainability Framework has been revised to ensure alignment with the [EU Deforestation Regulation](#) (the Regulation).

The Regulation requires that commodities and products included in its scope are produced in compliance with relevant legislation of the country of production and that they are deforestation-free.

The Regulation differs slightly in how it defines “deforestation-free”, between agricultural and forest products. For all commodities included within the Regulation (and products which contain, have been fed with, or have been made using

these commodities), “deforestation-free” means that they were produced on land that has not been subject to deforestation after 31 December 2020.

For wood and products derived from wood, in addition to the above deforestation requirement, the wood must also have been harvested without inducing forest degradation after 31 December 2020.

To address these requirements for agricultural commodities and wood products, respectively, indicators of the Sustainability Framework are marked to show if they are relevant to the EU Regulation:

- Indicators marked with  refer to the EU Deforestation Regulation and are relevant **to the Agriculture sector.**
- Indicators marked with  refer to the EU Deforestation Regulation and are relevant **to the Forestry sector.**
- Indicators marked with  refer to the EU Deforestation Regulation and are relevant **to both Forestry and Agriculture sectors.**

The Sustainability Framework can be used as a tool to align with the **requirements of the EU Deforestation Regulation** by selecting the relevant indicators.

Scope

The Sustainability Framework can be applied to any land use (including forests and farms) or agricultural or natural resource supply chain, product or commodity where its production, trade and/or harvest impacts nature, people and climate.

Organisations working with several commodities may choose to apply the Sustainability Framework to only some of them. However, land management organisations must ensure that all their production areas for included commodities meet the Sustainability Framework requirements.

The Framework is applicable to both large-scale organisations and operations as well as small-scale farmers or producers, including:

- a. **land managers or owners**, such as forest operations or farms
- b. **processing facilities and manufacturing**, such as sawmills, factories, etc.
- c. **supply chain entities** at any level that are sourcing agricultural commodities or forest products from one or more levels of suppliers, including but not limited to
 - o exporters
 - o distributors or service providers
 - o brands and retailers
- d. **investors or lenders** involved in the agriculture or forest products sectors.

Indicators have been assigned to both land use practices and processing /manufacturing, as shown in the column to the right of the indicator. The indicators for manufacturing sector do not cover the full scope of sustainability, but rather focus on the most critical aspects related to people's wellbeing.

Indicators applicable to land use	Indicators containing the requirements relevant to land use. These apply to forest, farm or other land managers.
Indicators applicable to processing	Indicators containing the requirements relevant for processing facilities, manufacturers or traders under the Sustainability Framework.



Application

The Framework is flexible in application and can be used through adaptation to different commodities and different levels of risk.

Commodity adaptation

For the Framework to be used as the basis for conformance verification, it can be adapted to the relevant commodity, and, when applicable, also to the geographical region. The adaptation of the Framework allows a flexible approach that adapts to issues relevant to specific commodities while still aligning with the general Framework principles and criteria. This commodity adaptation may be combined with a risk-based approach.

Risk-based approach

The Sustainability Framework Principles, Criteria and Indicators can be used to create **country- and commodity-specific risk assessments**, allowing focus on relevant issues. This approach creates a more efficient way of ensuring that important issues are addressed and reduces the amount of time and resources necessary to achieve sustainability goals.

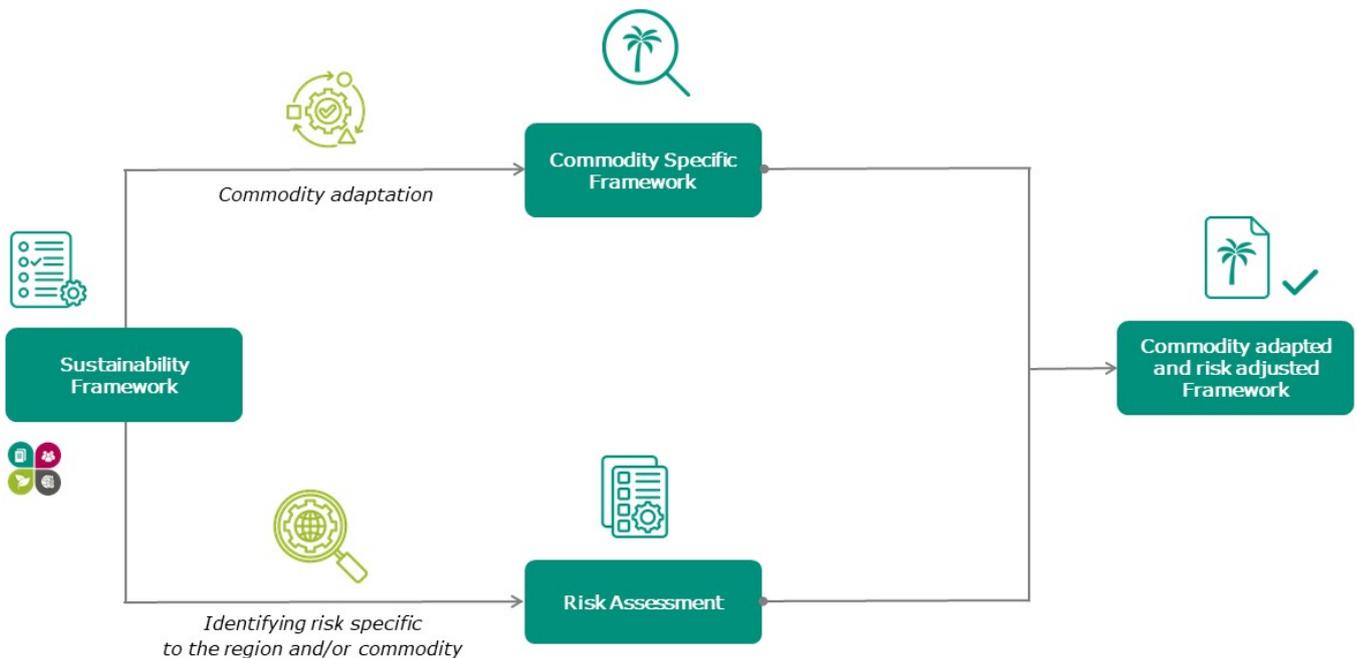


Figure 2. Illustration of the commodity adaptation and risk adjustment process

Verification of conformance

For organisations wishing to gain recognition of their sustainability performance, Preferred by Nature can verify their conformance against the entire Sustainability Framework.

Communications, claims and use of the Preferred by Nature Sustainability Seal

The Preferred by Nature Sustainability Framework offers ways for organisations to communicate about and gain recognition for their progress towards meeting their sustainability commitments.

Companies can also choose to be verified against a **subset of the framework indicators**, focussing on a specific topic (e.g. child labour), but no conformance claims can be used in such cases.

Companies who would like to use the Sustainability Framework as a tool to align with **EU Deforestation Regulation** (version adopted by the European Parliament on 19 April 2023) may choose to be verified against the subset of indicators applicable for the EUDR only and make related claims.

Organisations verified to meet all applicable Indicators of the Sustainability Framework and other normative documents, including the **Seal Use Policy**, may use the Preferred by Nature Seal and make related claims.

Organisations working with Preferred by Nature on **specific elements of their sustainability efforts** or those not pursuing verification may communicate about such work and their progress. However, they may not make product-related claims or use the Preferred by Nature Seal. Any communication about the Sustainability Framework shall be limited to describing the nature and scope of the collaboration with Preferred by Nature.

Preferred by Nature also reserves the **right to communicate about companies with which it collaborates and supports** – through the Preferred by Nature website and other communications channels, such as social media and external newsletters.



Figure 3.
The Preferred by Nature Seal



Related Standards

In combination with the Sustainability Framework's requirements for implementing sustainability commitments in land use operations and processing facilities, the following normative requirements are available, applicable to Organisations using the Sustainability Framework:

- **SP-02. [System Requirements](#).** This Standard applies to all Sustainability Framework verified operations. It contains generic quality system requirements.
- **SP-03. [Supplier Management and Due Diligence Requirements](#).** This Standard contains requirements for companies sourcing commodities through a supply chain; these may include manufacturers, traders and retailers. The Standard sets out requirements systems to ensure supply chain management and for conducting due diligence for sourcing and meeting sustainability commitments.
- **SP-04. [Preferred by Nature Seal Use Policy](#).** This document regulates the requirements and conditions for the use of Preferred by Nature Hummingbird Seal (the Seal).
- **SP-05. [Chain of Custody and Traceability Standard](#).** This Standard contains requirements for chain of custody models and traceability systems used to manage claims and trace products in the supply chain.
- **SP-09. [Terms and Definitions](#).** This Standard contains terms and definitions used in relation to the Sustainability Framework Programme.
- **SP-13. [EUDR Indicators](#).** This document contains the set of indicators from this Sustainability Framework that can be used for the verification related to the EU Deforestation Regulation. It has been prepared as a separate document for the convenience of stakeholders who wish to focus only on the EUDR-related indicators.



How to read the Framework

Sustainability Framework Programme verification category

Indicators marked with  are relevant to **Land Use** verification.

Indicators marked with  are relevant to **Processing** verification.

Indicators referring to the EU Deforestation Regulation

Indicators marked with  refer to the **EU Deforestation Regulation** and are relevant to the **Agriculture** sector.

Indicators marked with  refer to the **EU Deforestation Regulation** and are relevant to the **Forestry** sector.

Indicators marked with  refer to the **EU Deforestation Regulation** and are relevant to both **Forestry and Agriculture** sectors.



Sustainability Requirements

Principle 1. Management and business practices are responsible.

Criterion 1.1 Land tenure and management rights are secure. Land tenure and management rights are secure and established for all rights holders and ensure that Free Prior and Informed Consent (FPIC) is obtained where operations may affect Indigenous Peoples or local communities' rights and resources.		
1.1.1 Land tenure rights are secure and registered according to legal requirements ¹ .		
1.1.2 Land management rights are in place and registered according to legal requirements.		
1.1.3 Land tenure and management rights are obtained through a process that ensures that Free Prior Informed Consent (FPIC) is secured before any activities are commenced that may affect Indigenous Peoples' or local communities' lands, territories and resources ² .		
1.1.4. In case of ongoing land tenure or management rights disputes, these are managed through a culturally appropriate and transparent process, agreed upon by the affected parties ³ .		
1.1.5 Land areas under management are protected from illegal encroachment by third parties.		
Criterion 1.2 Management planning and operations are conducted responsibly. Management planning and operations are in accordance with legal requirements.		
1.2.1 Legal requirements for land use and management planning are complied with.		
1.2.2 Legal requirements for management and operational activities are complied with.		
1.2.3 Legal harvesting or production requirements are complied with.		
1.2.4 Legal requirements related to the disclosure of information are complied with.		
Criterion 1.3 Taxes and fees are paid. Applicable taxes and fees have been paid in a timely manner and according to legal requirements.		
1.3.1 Legal requirements for payment of royalties, land/area taxes and fees are complied with.		

¹ When implementing this requirement, we acknowledge the difficulties that smallholders, indigenous groups or small communities in certain countries may encounter when attempting to access a formal land title registration process. In some cases, there may also be limited capacity or systems in place from the public authorities side, to allow completion of the land title registration process. This requirement will be interpreted to ensure that formal and gazetted rights are in place whenever possible and feasible, but also to enable smallholders to use this framework in the above-mentioned cases. It shall always be ensured that the landowner operates in a way that is recognised by the public authorities, including payment of any applicable fees or taxes as well as recognised legal sale of any products from the land.

² The FPIC requirement is applicable regardless of how, or from whom, land or resources are acquired.

³ See Principle 31 of the UN Guiding Principles on Business and Human Rights.
https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf

1.3.2 Legal requirements for payment of value-added taxes and/or other sales taxes are complied with.		
1.3.3 Legal requirements for payment of corporate taxes are complied with, including profit taxes.		
1.3.4 Legal requirements for payment of trade and/or export taxes and fees are complied with.		

Criterion 1.4 Corruption, fraud and conflict of interest are avoided.
Corruption, fraud and conflict of interests are avoided, while business integrity is ensured according to best practices.

1.4.1 Legal requirements relating to corruption - including bribery, fraud and conflict of interest are complied with.		
1.4.2 All forms of bribery and corruption are avoided.		
1.4.3 Conflicts of interest are identified, declared and managed.		
1.4.4 Data and document falsification do not occur.		

Criterion 1.5 Trade and procurement are responsible.
Trade and transport of materials, products and animals are conducted according to legal requirements and respecting principles of fairness and transparency in contractual obligations.

1.5.1 Legal requirements relating to trade and transport of products are complied with.		
1.5.2 Legal requirements related to applicable trade restrictions and sanctions are complied with.		
1.5.3 Legal requirements relating to the classification of products are complied with.		
1.5.4 Legal requirements relating to export and/or import are complied with.		
1.5.5 Legal requirements relating to offshore trading and transfer pricing are complied with.		
1.5.6 Legal requirements relating to due diligence or due care are complied with.		
1.5.7 Agreed payments are made in a timely manner and receipts specifying price, quantity/volume/weight, qualities, deductions and amount paid are given ⁴ .		
1.5.8 Contracts with suppliers and/or buyers have clear terms, are fair and transparent, have an agreed timeframe and are not changed or cancelled unilaterally.		

⁴ See for possible delays: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019L0633&from=EN>

Criterion 1.6 Buildings, infrastructure and activities are developed and maintained in a responsible manner.

1.6.1 Development of buildings, infrastructure and activities comply with applicable codes and legal requirements.	
1.6.2 Development of new buildings, infrastructure and activities is done in a way that minimises adverse impacts on human health and the environment.	
1.6.3 Maintenance of buildings and infrastructure ensures their integrity and function while minimising impacts on the surrounding environment and people.	
1.6.4 Where applicable, buildings, infrastructure and activities ensure appropriate access and accessibility features.	

Criterion 1.7 The quality of customers' and visitors' experience is continuously improved.

1.7.1 Facilities are kept in working order, clean and safe for customers and visitors.	
1.7.2 Facilities are appropriate for the activities of customers and visitors.	
1.7.3. Communication with customers and visitors is accurate and reliable and promotes responsible visits and interactions.	

Principle 2. People's well-being and human rights are respected.

Criterion 2.1 Human rights are respected.

Human rights are respected in all aspects of operations and activities.

2.1.1 <i>Human rights</i> are respected as required by international and national law.	    
2.1.2 Harvest or trade in products do not contribute to a violation of international human rights or armed conflicts.	    
2.1.3 Significant past <i>human rights</i> violations caused by the <i>organisation</i> are remediated as indicated in annex A.	

Criterion 2.2 Child labour⁵ is not present and employment of young workers is responsibly managed.

Child labour is eliminated and children are protected. Where young workers are employed, their employment follows best practices.

2.2.1 Legal requirements related to <i>child labour</i> and employment of young workers are complied with.	   
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⁵ The term "child labour" is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. See Preferred by Nature's Terms & Definitions for more details.

<p>2.2.2 Children under the age of 15 (or under age for the completion of compulsory education, whichever is higher) are not employed except within the framework of "Family Farm"⁶ work or where covered by the national legislation.</p>	
<p>2.2.3 Where young workers are employed, the following are met: a) Young workers only work outside of compulsory school hours. b) Young workers do not work more than 8 hours a day. c) Young workers do not work without supervision during night hours.</p>	

Criterion 2.3 Modern slavery⁷, forced or compulsory labour do not occur.
Forced labour, modern slavery and human trafficking do not occur, and no dependence is built or restrictions made for workers' freedom to choose their employer.

<p>2.3.1 Legal requirements related to <i>modern slavery</i>, including forced and prison labour, are complied with.</p>	
<p>2.3.2 Modern slavery⁸, forced or compulsory labour are not used, promoted or supported in any way.</p>	
<p>2.3.3 Withholding of salary, benefits, documents or property is not used in ways to restrict workers' freedom.</p>	
<p>2.3.4 Workers have the right to leave the workplace after completing their workday.</p>	
<p>2.3.5 Workers are free to terminate their employment provided they give their employer reasonable notice.</p>	

Criterion 2.4 Workers' rights are respected.
The rights of all workers are respected, including the International Labour Organization's (ILO) ten fundamental Conventions.

<p>2.4.1 Legal requirements related to Freedom of Association, the Right to Organise and the Right to Collective Bargaining are respected.</p>	
<p>2.4.2 ILO convention requirements related to Freedom of Association, the Right to Organise⁹ and the Right to Collective Bargaining¹⁰ are respected.</p>	
<p>2.4.3 Legal requirements related to working hours, overtime, rest time and time off are complied with.</p>	
<p>2.4.4 ILO conventions requirements related to working hours, overtime, rest time and time off are complied with.</p>	

⁶ See definitions in RS-09 and <http://www.fao.org/3/a-i4306e.pdf>

⁷ ILO Forced Labour Convention, 1930 (No. 29); ILO Abolition of Forced Labour Convention, 1957 (No. 105); Modern Slavery Act UK

⁸ See definition in "Preferred by Nature Sustainability Framework Terms & Definitions"

⁹ ILO Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

¹⁰ ILO Right to Organise and Collective Bargaining Convention, 1949 (No. 98)

2.4.5 Overtime is voluntary and does not result in a work week exceeding 60 total hours, except under circumstances of shorter duration where additional labour is required.	
2.4.6 Workers are treated respectfully and never subjected to abuse or harassment (including sexual) or verbal, physical or psychological mistreatment.	 
2.4.7 Workers' privacy rights are respected, including, but not limited to, whenever an employer gathers private information or implements employee-monitoring practices ¹¹ .	
2.4.8 Legal requirements related to recruitment and employment of workers are complied with.	   
2.4.9 Employment conditions of workers, including wages, bonuses, work hours, overtime, vacation and others, are documented and available to workers before employment.	
2.4.10 Responsibilities towards workers are not avoided by hiring de facto permanent, long-time, full-time workers under seasonal or temporary contracts.	
2.4.11 Where migrant workers are hired, the following are ensured: a) The employment of migrant workers follows legal requirements. b) Migrant workers are legally authorised to enter, stay and engage in a remunerated activity in the area/country. ¹² c) Migrant workers and their families are free to travel and leave the area/country without restrictions, except those defined by law.	
2.4.12 Migrant workers are ensured equal opportunities and no less favourable treatment than local workers. ¹³	 
Criterion 2.5 Discrimination¹⁴ does not occur. There is no discrimination related to employment or occupation.	
2.5.1 Legal requirements related to discrimination are complied with.	   
2.5.2 There is no discrimination in hiring, remuneration and access to training, promotion, termination or retirement. ¹⁵	 

¹¹ [Accountability Framework](#), Core Principles, 2

¹² In some countries or jurisdictions there may be legal allowance or recognition by public authorities for workers, even in cases when not all documentation or legal processes have been finalised. Such complex situations should be evaluated case by case to conclude if the situation as a whole constitutes illegal working practice or not.

¹³ ILO Convention 97 and 143

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::p12100_instrument_id:312242

https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100_INSTRUMENT_ID,P12100_LANG_CODE:312288,fr:NO

¹⁴ ILO [Discrimination \(Employment and Occupation\) Convention](#), 1958 (No. 111)

¹⁵ [Discrimination \(Employment and Occupation\) Convention](#), 1958 (No. 111)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C111

Criterion 2.6 Workers are remunerated in a responsible¹⁶ manner.

All workers, permanent and contractors, seasonal and migrant workers, are remunerated for meeting or exceeding legal requirements and respecting workers' right to a decent standard of living.

2.6.1 Legal requirements related to workers' wages and other payments, such as social insurance, are complied with.	 
2.6.2 The remuneration received for a standard workweek by a worker in a particular place is sufficient to afford a decent standard of living ¹⁷ for the worker and their family. ¹⁸	
2.6.3 Workers' wages meet or exceed minimum industry standards or other recognised industry wage standards.	
2.6.4 Payment is made directly to all workers to ensure they safely receive and retain their wages.	
2.6.5 Where an employer provides services for which workers pay, such as medical services, schooling, meals and other amenities, these are valued fairly and do not exceed local market prices.	
2.6.6 Workers' wages and benefits are received as contractually agreed for each pay period.	

Criterion 2.7 Facilities, operations and activities are safe.

Facilities and activities are safe and healthy¹⁹, and workers have access to and use appropriate Personal Protective Equipment commensurate with the activities undertaken.

2.7.1 Legal requirements related to workplace health and safety are complied with.	 
2.7.2 Equipment, vehicles, machinery and utilities are safe and in good working order, and relevant safety features are complete and functioning.	 
2.7.3 Indoor workplaces are hygienic with adequate lighting, temperature, ventilation, sanitation, drinking water, sanitary facilities, as well as break facilities and food storage.	
2.7.4 Workers are competent in relevant health and safety issues, including handling chemicals and machinery, and receive appropriate safety and health training.	
2.7.5 Personal Protective Equipment (PPE) and tools are available to and used by workers, are in good condition, and are appropriate for the specific activity.	 

¹⁶ OECD [Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#)

¹⁷ Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing and other essential needs, including provision for unexpected events.

¹⁸ ILO, [International Labour Organization and the Living Wage: A Historical Perspective](#), 2017

¹⁹ WHO, [Healthy workplaces: a model for action](#), 2010

2.7.6	Workers handling chemicals have access to appropriate facilities for cleaning and washing.	
2.7.7	Expectant and nursing mothers are not engaged in activities that expose them to health and safety risks.	
2.7.8	Emergency exits, fire detection, emergency alarms and fire suppression equipment are in place, visible and in working order and workers are competent to handle equipment and react to emergencies.	
2.7.9	Workers have access to appropriate first-aid equipment and medical services, in case of emergencies.	

Criterion 2.8 Employer-provided accommodation is safe and hygienic.

Where accommodation is provided by the employer to workers, it is in a safe and hygienic condition and is offered free of charge or for a fee commensurate with the pay.

2.8.1	Legal requirements for employer-provided worker accommodation are complied with.	
2.8.2	Accommodation is offered to workers if no affordable or safe accommodation is otherwise available, especially in remote locations where commuting is not a viable option or where workers are expected to stay within the premises for an extended period.	
2.8.3	If workers pay for employer-provided accommodation, the cost of accommodation is proportional to the pay and comparable to similar accommodation in the area/industry. ²⁰	
2.8.4	Employer-provided accommodation is safe and hygienic. ²¹	
2.8.5	Where workers and their families live in employer-provided accommodation, the employer ensures access to medical, educational and social services.	

Criterion 2.9 Gender equality is maintained and protected.²²

Gender equality is protected according to legal requirements and following best practices, including equal remuneration for work of equal value and sufficient maternity leave.

2.9.1	Legal requirements related to gender equality in the workplace are complied with. ²³	
2.9.2	Job opportunities are available to everyone, irrespective of gender, under the same conditions.	
2.9.3	Irrespective of gender, there is equal remuneration for work of equal value.	

²⁰ See ILO Workers' Housing Recommendation, 1961
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R115

²¹ Nestle Responsible Sourcing Standard, 2.3.3. See also Preferred by Nature SP-09 Terms & Definitions

²² ILO, C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

²³ Accountability Framework, Core Principles, 2

2.9.4	Legal requirements related to maternity and paternity leave are complied with.		
2.9.5	Pregnant women who are permanent workers shall have at least 4 weeks of maternity leave, with pay or access to similar income.		
Criterion 2.10 The rights of <i>Indigenous Peoples</i> are known and respected. The rights of <i>Indigenous Peoples</i> are known and respected, and interaction with them is conducted in a respectful and culturally appropriate manner.			
2.10.1	<i>Indigenous Peoples</i> potentially affected by the organisation's activities are identified.		
2.10.2	The rights of <i>Indigenous Peoples</i> are respected and upheld, following principles of Free, Prior and Informed Consent (FPIC).		
2.10.3	Legal requirements related to: i) The rights of <i>Indigenous Peoples</i> ii) The principles of Free, Prior and Informed Consent (FPIC), including as set out in the UN Declaration on the Rights of <i>Indigenous Peoples</i> are followed.		
2.10.4	The impacts of activities on <i>Indigenous Peoples</i> are identified, and adverse effects are avoided.		
2.10.5	Interaction with <i>Indigenous Peoples</i> is conducted in a respectful and culturally appropriate manner.		
Criterion 2.11 <i>Communities</i> are supported and their rights are respected.²⁴ There is respectful, collaborative, mutually beneficial and enriching engagement with the local communities.			
2.11.1	Communities potentially affected by the operations are identified.		
2.11.2	Legally recognised customary and community rights are identified and respected.		
2.11.3	Reasonable opportunities for employment, training and other services are available to <i>communities</i> .		
2.11.4	Sites and resources within the area of operation fundamental for satisfying the basic needs of communities are identified and protected. ²⁵		
2.11.5	Sites, resources, habitats of cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of communities affected by operations are identified and protected as appropriate. ²⁶		

²⁴ FSC, Principles and criteria for forest stewardship FSC-STD-01-001 V5-2 EN, Principle 4; PEFC, Sustainable forest management requirements, Criterion 6

²⁵ <https://hcvnetwork.org/library/common-guidance-for-the-identification-of-high-conservation-values/>

²⁶ <https://hcvnetwork.org/library/common-guidance-for-the-identification-of-high-conservation-values/>

Criterion 2.12 Culture is respected and valued.

Properties, sites and/or traditions of historical, archaeological, cultural and/or spiritual significance are protected, valued and enhanced, always respecting the intellectual property rights of local and Indigenous communities.

2.12.1	Cultures are respected and valued, and negative impacts on local culture are minimised.	
2.12.2	Local practices, properties, sites and traditions of historical, archaeological, land management, cultural and spiritual significance are protected.	
2.12.3	Historical and archaeological artefacts are not sold, traded or displayed except as permitted by local and international law.	

Principle 3. Nature and the environment are protected.

Criterion 3.1 Forests and other ecosystems are not converted.

Activities do not contribute to deforestation or the conversion of forests or other natural ecosystems.

3.1.1	Forests are not converted to Agriculture after 31 December 2020.		
3.1.2	Primary Forest is not degraded or converted to Plantation Forest, Other Planted Forest or Other Wooded Land after 31 December 2020.		
3.1.3	Naturally Regenerating Forest is not degraded or converted to Plantation Forest or Other Wooded Land after 31 December 2020.		
3.1.4	Natural Forest is not degraded or converted to other forest types or Other Land AND Primary Forest is not converted to Other Natural Ecosystems after 31 December 2020.		
3.1.5	Other Wooded Land and Other Natural Ecosystems are not converted to Plantation Forest, Other Land or Agriculture after 31 December 2020.		
3.1.6	Other Natural Ecosystems are not converted to Other Planted Forest or Other Wooded Land after 31 December 2020.		
3.1.7	Where conversion of Natural Forests or other Natural Ecosystems has occurred within the last 10 years, restoration activities are implemented to compensate for past ecosystem loss in line with the Preferred by Nature Ecosystem Restoration Standard. ²⁷		

Criterion 3.2 Natural forests and other ecosystems are not degraded.

Activities are conducted to avoid degradation and ensure the resource's long-term productivity.

3.2.1	Legal requirements relating to management and harvesting activities in Forests are complied with.		
3.2.2	Legal requirements relating to activities in non-forest areas, including Other Natural Ecosystems, are complied with.		

²⁷ See <https://preferredbynature.org/certification/ecosystem-restoration/ecosystem-restoration-verification>

3.2.3 The use of natural resources ensures long-term productivity and yield of the resources.	
3.2.4 If clear-cuts are used for forest management, the size of clear-cuts is minimised to be ecologically appropriate for the forest ecosystem, type and biome.	
3.2.5 Fire risk is controlled, and fire is only used for land preparation, where environmental and social benefits are demonstrated.	

Criterion 3.3 Ecosystems and biodiversity values are identified and protected.
Ecosystem and biodiversity values are identified, maintained and enhanced, subject to the precautionary approach, in alignment with the HCV Networks Guidance^{28,29}

3.3.1 Legal requirements related to biodiversity conservation, protected sites and the protection of endangered or protected species are complied with.		
3.3.2 Ecosystem and biodiversity values within the production area are known and maintained or enhanced.		
3.3.3 Forests and other natural ecosystems are managed in a way that maintains or enhances the functions and services provided by the ecosystem, including related biodiversity and structural complexity.		
3.3.4 Rare, endangered or protected animal and plant species are identified, and their populations are protected, maintained or enhanced.		
3.3.5 Introducing invasive species is avoided, and already present invasive species are controlled as possible.		
3.3.6 Legal requirements relating to the harvesting, collection and trade of CITES species are complied with.		

Criterion 3.4 Chemicals are used responsibly with minimal negative impacts.
The use of chemicals is minimised, and any application ensures the protection of human health and minimal environmental impacts.

3.4.1 Legal requirements for chemical use and storage are complied with.		
3.4.2 <i>Prohibited chemicals</i> are not used. ³⁰		
3.4.3 Where <i>chemicals</i> are used, they are stored and used to ensure minimal adverse impacts on people, ecosystems and the environment.		

²⁸ See the HCV Network for more information: <https://hcvnetwork.org>

²⁹ The implementation of the HCV methodology shall be dependent on the scale and intensity of the operations under evaluation. In the Sustainability Framework, consideration will be given to the size of land-use operations to allow flexibility in the implementation of this criterion. Furthermore, when adapting the generic framework to specific commodities, the indicators under this criterion are reviewed and adjusted to be fit for purpose.

³⁰ The definition of “prohibited chemicals” can be found in the Preferred by Nature “Terms & Definitions”.

3.4.4 The use of <i>chemicals</i> is monitored and minimised.	
3.4.5 Chemical drift, run-off or spills are effectively avoided and controlled.	
3.4.6 Chemicals with known risks for pollinators, or other non-target species, are only used if: a) Non-chemical methods or less toxic pesticides are not available b) Exposure to natural ecosystems is minimised and c) Contact of pollinators and other non-target species with these substances can be minimised	
3.4.7 Where fertilisers are used: a) The type of fertiliser is selected based on soil assessment and crop nutrient needs over the growing season and b) The amount, timing and application of fertiliser are adjusted to plant nutrient needs and to minimise nutrient loss to the surrounding environment.	

Criterion 3.5 Waste is reduced and managed responsibly.

The volume and negative impacts of waste from activities, including production and processing, are managed and minimised and meet legal requirements.

3.5.1 Legal requirements relating to waste management are complied with.	 
3.5.2 Waste storage, treatment and disposal practices do not pose health or safety risks to people or natural ecosystems.	
3.5.3 Waste is not deposited outside appropriate and legally approved waste storage facilities.	
3.5.4 Waste is not burned, except in incinerators technically designed for the specific waste type and to recover energy.	
3.5.5 Waste is managed to ensure reduction, recycling, reusing and safe disposal based on the toxicity of the materials. ³¹	
3.5.6 In the case of cross-border transportation of hazardous waste, the requirements of the Basel Convention are complied with.	

Criterion 3.6 Pollution is minimised or prevented.

Pollution resulting from production, processing or other activities is controlled and minimised and meets legal requirements.

3.6.1 Wastewater and sewage from operations are not discharged into the surrounding environment, including aquatic ecosystems unless it has undergone treatment to reach a safe level.	
3.6.2 The use of Ozone Depleting Substances (ODS) is conducted according to legal requirements and minimised as far as possible.	
3.6.3 Land management is conducted in a way that reduces run-off to the surrounding environment, including aquatic resources.	

³¹ Where applicable, waste management plans shall be developed and implemented.

3.6.4 Release of pollutants into the air is prevented or reduced and meets all legal levels for emissions.	
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3.6.5 Pollution from noise and light is minimised or avoided.	
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Criterion 3.7 Water resources are protected and used efficiently.
 Where water is used, legal requirements are met, and water resources are protected and used responsibly to ensure long-term viability.

3.7.1 Legal requirements for using and protecting surface and groundwater are complied with.		
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3.7.2 Ground and surface water use is optimised and potential negative impacts on the surrounding environment are reduced.	
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3.7.3 Water resources are used and managed to ensure that water quality and balance are maintained or improved and do not restrict other users' availability.	
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3.7.4 Natural water bodies are protected from adverse impacts of activities, including chemical, fertiliser and slurry drift and run-off.	
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3.7.5 Riparian buffer zones are protected.	
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Criterion 3.8 Soil is conserved and managed appropriately.
 In terms of biodiversity, organic matter content and other physical, chemical and biological attributes of the soil, soil health is maintained or improved. Negative impacts on soils are managed and minimised.

3.8.1 Legal requirements related to soil management are complied with.		
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3.8.2 Water and wind erosion are reduced through practices such as ground covers, mulches, protection and re-vegetation of steep areas, terracing or filter strips to protect soils.	
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3.8.3 Harvesting, cultivation and grazing practices are implemented to maintain or improve the soil's physical, chemical and biological condition.	
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3.8.4 Harvesting, cultivation and grazing are not practised on vulnerable soils where it causes long-term damage to the ecological functions of the soil, such as very steep slopes and peat soil types.	
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3.8.5 Plant and animal materials are managed to maintain or improve soil biodiversity and organic matter content and do not contribute to the contamination of crops, soil or water by nutrients, pathogenic organisms, heavy metals or residues of prohibited substances.	
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Criterion 3.9 Animal welfare and health is secured.^{32 33}

Animal health and welfare are ensured, reducing animal stress and allowing them to exercise their natural behaviours.

3.9.1	Legal requirements relating to animal health, welfare, medication, transport and traceability are complied with.	
3.9.2	Animals are fed to satisfy nutritional needs and good health.	
3.9.3	Animals can access environments that allow them to move freely and exhibit natural behaviour.	
3.9.4	Animals have continuous access to fresh and clean water that is sufficient to eliminate competition between animals.	
3.9.5	Measures (such as vaccination and hygiene) are taken to prevent diseases while minimising risks of antimicrobial resistance as well as pain and injury to the animals.	
3.9.6	Housing, pens and handling facilities have space, ventilation, lighting and drainage, and are safe, minimising the risk of diseases, injury and stress to the animals, and are adjusted to climatic zone conditions.	
3.9.7	Transportation of animals considers the animals' size, climatic conditions and need for water and food (in case of long-distance transportation), minimising animal stress.	
3.9.8	Animal handling is done by workers with experience and competence in animal welfare.	

Principle 4. Climate impacts are reduced and mitigated.

Criterion 4.1 Greenhouse gas emissions are reduced.

Best business practices to minimise major greenhouse gas emissions are implemented and are adjusted to the risks and proportionate to the scale and nature of the operation.

4.1.1	Significant <i>greenhouse gas</i> emission sources are identified, considering management practices, land use change, livestock, energy, sourcing and use of materials.	
4.1.2	Animal feed shall be from sources that do not contribute to deforestation.	 
4.1.3	If there is a risk that sourcing activities may cause significant indirect land use change through <i>conversion</i> or destruction of forests or <i>natural ecosystems</i> elsewhere, steps are taken to mitigate such risk.	

³² OIE, [Terrestrial Animal Health Code](#)

³³ Nestlé [Responsible Sourcing Standard](#); RSPCA, [RSPCA welfare standards](#)
SAN, [Sustainable Agriculture Standard](#); GRBSB, [Statement on Antimicrobial Stewardship](#)

<p>4.1.4 Efforts are taken to reduce the emission of <i>greenhouse gases</i> resulting from activities, meeting, at minimum, the industry sector’s best practices and considering the best available technology.³⁴</p>	
<p>4.1.5 The amount of soil carbon is maintained or increased.</p>	
<p>4.1.6 If applicable, national and/or international regulations concerning emission reduction targets for relevant climate change factors and actions are complied with.</p>	
<p>Criterion 4.2 Climate change adaptation efforts are implemented proportionate to the risks. Risks resulting from climate change that may endanger the sustainability of operations are considered, and appropriate climate adaptation measures are implemented.</p>	
<p>4.2.1 The critical risks for the operation resulting or potentially resulting from climate change are identified.</p>	
<p>4.2.2 Measures for climate change adaptation are implemented for high-risk areas and are proportionate to the scale of the operations and anticipated social, economic and environmental impacts.</p>	
<p>Criterion 4.3 Efforts are taken for GHG removal and ecosystem restoration as appropriate. Opportunities for GHG removal and ecosystem restoration and implementing related activities are considered when feasible and relevant.</p>	
<p>4.3.1 Best business practices to ensure <i>GHG</i> removals based on land use and land management practices and carbon stocks to promote positive climate regulation over time are implemented.</p>	
<p>4.3.2 If implemented, <i>ecosystem</i> restoration efforts aim to both regain the ecological functionality of the reference <i>ecosystem</i> and enhance human well-being while considering the area's changing environmental, social and economic conditions.</p>	

³⁴ The focus at minimum should be on the most significant emission sources rather than having a complete carbon footprint approach. The specifics for each sector and commodity will be detailed in the adapted version of the Framework. For example, cattle ranchers should take best practice steps to minimise methane emissions (breed selection, monitoring for appropriate time for slaughter and so on). Rice farmers should avoid burning rice straw and should aim to use alternate wet and drying cycles (AWD), which can significantly reduce the related methane emissions.

Annex A: Requirements for remediation

A.1 Violations of human rights affecting Indigenous Peoples, communities or workers are remediated through an adequate, legitimate and culturally appropriate mechanism. ³⁵	
A1.1	A commitment to human rights remediation is reflected in policies and practices of the Organisation.
A1.2	Organisation engages with affected communities and listens to their perspectives on the impacts of their operations and the measures needed to address them.
A1.3	Organisation has an effective grievance mechanism in place to allow individuals and communities to raise concerns about human rights abuses and receive a response.
A1.4	Organisation provides fair and adequate compensation to individuals and communities who have suffered harm because of human rights violations.
A1.5	Organisation cooperates with relevant authorities, including government agencies and human rights organisations, to promote effective human rights remediation.
A1.6	Organisation is transparent about their human rights impacts and efforts to address them, including by public reporting on their progress and challenges.
A1.7	Organisation provides training and capacity building to employees and suppliers to promote responsible business practices and prevent future human rights abuses.
A1.8	Organisation monitors and evaluates human rights remediation efforts regularly to ensure that they are effective and are being implemented as planned.
A1.9	Organisation remains committed to continuous improvement in human rights performance, including by regularly reviewing and updating their policies and practices.
A1.10	Organisation integrates human rights considerations into all aspects of operations, including decision-making processes and risk assessments.

³⁵ See Principle 31 of the UN Guiding Principles on Business and Human Rights.



Preferred by Nature is an international non-profit organisation working to support better land management and business practices that benefit people, nature and the climate. We do this through a unique combination of sustainability certification services, projects supporting awareness raising, and capacity building.

For nearly 30 years, we have worked to develop practical solutions to drive positive impacts in production landscapes and supply chains in 100+ countries. We focus on land use, primarily through forest, agriculture and climate impact commodities, and related sectors such as tourism and conservation.

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