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How we measure impacts

Certification services

Each sustainability service we provide works toward different, but often overlapping, sustainability outcomes and intended impacts.

For example, Forest Stewardship Council certification applies to forest-based products only, while Rainforest Alliance certification is only applicable to agricultural commodities such as coffee and bananas. However, despite the different scopes, these two schemes have similarities in their ultimate goals, such as protection of nature and well-being of people.

To find a way to measure the combined impacts across our various services, we need a common unit of measurement. To do this, we utilise our Sustainability Framework – a single framework for defining and benchmarking sustainability across different commodities and sectors.

Preferred by Nature's **Sustainability Framework** consists of 4 main **PRINCIPLES**, supported by 31 specific **CRITERIA**.

Because the Sustainability Framework is designed around sustainability outcomes, not around a specific

commodity or landscape type, its **PRINCIPLES** and **CRITERIA** provide a natural means to therefore measure our impact on these intended outcomes.

Impact Monitoring Framework

In terms of our Impact Monitoring Framework, the three PRINCIPLES related to people, nature and climate are referred to as our Key Impacts, and their related CRITERIA are our Impact Indicators. The final principle regarding responsible Management and Business Practices is referred to as Our Reach.



To read more about the Sustainability Framework, including its development, stakeholder consultation review processes, and how it is applied across various commodities and types, visit www.preferredbynature.org/services/sustainability-framework







Impact Monitoring Framework

Key Impacts

PEOPLE

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



- Respect for human rights
- No child labour
- No modern slavery
- · Respect workers' rights
- No discrimination
- Safe workplaces
- Gender equality
- Indigenous Peoples' rights
- Community rights
- Responsible worker renumeration
- Culture is respected

NATURE

Nature and the environment are protected.



- Forests and other ecosystems not converted or degraded
- Ecosystem and biodiversity protection
- · Chemicals minimised
- · Waste management
- Water resource protections
- Soil conservation
- Animal welfare

CLIMATE

Climate impacts are reduced and mitigated.



- · GHG reduction
- Climate adaptation
- GHG removal
- Ecosystem restoration

Our Reach

MANAGEMENT and BUSINESS

Practices are legal and responsible.



This principle provides generic management requirements that are considered to be enablers to assuring achievement of the other three principles.

It allows us to understand, monitor and measure the REACH of our impacts, including number of companies we work with, and countries we work in.

Impact Indicators

Methodology

We have conducted benchmark studies to assess how each sustainability scheme that we work with contributes to each criterion of the Sustainability Framework.

When is a scheme counted in the impact measurement? Only those schemes that fully meet the criterion of the Sustainability Framework, or meet the intention of the criterion with only minor differences in gaps of individual indicators (i.e., dark or light green in the table to the right). We will then include data from our work related to that scheme in the measurement of the related Impact Indicator.

The **Key Impact** is a summary of all impact indicators across that corresponding principle area in the Sustainability Framework. At this level, if at least one of the criteria for each scheme either fully, or with intent (i.e., dark or light green), meets the benchmark, it is counted in the measurement.

Classification of the benchmark results

Colour Explanation

Fully covered. The contents and intention of **all indicators** in the Sustainability Framework are addressed. Differences may still exist in wording and structure of how topics are presented.

The **intention of the criterion is covered.** There may be differences or gaps in individual indicators within a criterion, but we think that the overall intent of the relevant criterion is covered.

Some aspects are not covered and need to be considered additionally. In this case, we have specified the indicators that would need to be considered in addition to the standard that has been benchmarked, for compliance with the Sustainability Framework.

Intention of the criterion is not addressed in the benchmarked standard. The indicators of the Sustainability Framework need to be used to verify compliance.

The criterion is considered not applicable for the sector or commodity of the benchmarked standard.





Data Monitoring

Each **Key Impact** or **Impact Indicator** is measured according to the number of organisations we work with.

The organisations eligible to be included for impact measurement are those who successfully meet the requirements for a sustainability scheme, as evaluated by Preferred by Nature. In other words, they hold an active sustainability certificate issued by Preferred by Nature.

The unit of measurement for each Key Impact and Impact Indicator are different, depending on the aim of the intended outcome for each specific indicator.

For example, for the People Key Impact, which focuses on peoples' well-being and respect of human rights, it makes most sense to measure the number of people that are positively impacted.

For the Nature Key Impact, which is regarding protection of nature and the environment, we use data regarding the area of land that is positively impacted.

The data may also be further disaggregated for each indicator, such as by country or sector, to give a deeper illustration of the intended sustainability outcome of that indicator.

When possible, the data is also disaggregated by the number of non-conformities (NCRs) issued against that indicator.

Non-conformities are issued by Preferred by Nature when we assess that the organisation does not fully meet the criteria of the indicator, and we require that the organisation makes actual changes to their operations to meet relevant sustainability criteria.

This is important for demonstrating impact as it gives us an actual measurement of where Preferred by Nature has assessed that our clients and partners must implement a change to their operational management to improve sustainability outcomes.

Contact us

Questions or comments? Please contact:



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