



Terms & Definitions Preferred by Na	Terms & Definitions Preferred by Nature Certification						
Scope	Global						
Status of document	FINAL						
Version	1.5						
Date	12 October 2023						
Approval body	Preferred by Nature						
Contact person	Christian Sloth						
Contact email	csloth@preferredbynature.org						



Preferred by Nature has adopted an "Open Source" policy to share what we develop to advance sustainability. This work is published under the Creative Commons Attribution Share-Alike 3.0 license. Permission is hereby granted, free of charge, to any person obtaining a copy of this document to deal in the document without restriction, including without limitation the rights to use, copy, modify, merge, publish and/or distribute copies of the document, subject to the following conditions:

- The above copyright notice and this permission notice shall be included in all copies or substantial portions of the document. We would appreciate receiving a copy of any modified version.
- You must credit Preferred by Nature and include a visible link to our website www.preferredbynature.org.



Contents

Introduction	4
Terms & definitions	4
Annex A. Preferred by Nature's list of prohibited chemicals	22
Annex B. Definitions related to forest and ecosystems degradation and conversion	28



Introduction

This document contains a list of terms and definitions used in the Preferred by Nature Certification programme. The definitions included here provide additional details to the requirements of the Sustainability Framework and should be considered normative when interpreting the Sustainability Framework indicators. Where applicable, a reference to a specific source of the definition is given. In some cases, no information source is given.

Annex A contains a list of prohibited chemicals and is also normative.

Annex B contains an overview of conversion forest and ecosystem degradation and conversion definitions.

Terms & definitions

A

Abuse

Abuse in the workers' rights setting refers to any mistreatment or exploitation of employees by their employers, supervisors or colleagues that violates their legal and ethical rights. Such abuse can take many forms, including:

• Physical abuse. It refers to any physical harm or injury inflicted on a worker by their employer or co-worker. • Verbal abuse. It refers to any spoken or written communication intended to harm or intimidate a worker, such as insults, threats or harassment. • Psychological abuse. It refers to any behaviour that is intended to manipulate or control a worker's thoughts, feelings or actions, e.g. gaslighting or emotional manipulation. • Sexual abuse. It refers to any unwanted sexual behaviour, including sexual harassment, assault or rape, that is perpetrated by an employer or co-worker. • Economic abuse. This refers to any exploitation of a worker's financial situation, such as withholding wages or benefits, forcing workers to work in unsafe conditions or denying them breaks or rest periods.

Agriculture

Agriculture refers to the science, art and practice of cultivating crops and raising animals for food, fibre, fuel and other products. It involves various activities, such as planting, harvesting, irrigation, pest management, animal husbandry and soil management, among others.

Agricultural land

Land that is not classified as *forest*, *other wooded land*, *other natural ecosystems* or *other land*. **Explanatory notes**: • Land used for the production of agricultural crops, including palms (oil, coconut, dates, etc.), tree orchards (fruit, nuts, olive, etc.), agroforestry and trees in urban settings. • Land used for meadows or pasture for livestock and other animals.

Agricultural plantation

Land with tree stands in agricultural production systems, such as fruit tree plantations, oil palm plantations, olive orchards and agroforestry systems where crops are grown under tree cover; it includes all plantations of relevant commodities other than wood; agricultural plantations are excluded from the definition of 'forest'. **Source:** *EU Deforestation Regulation (EU)* 2023/1115

Agricultural use

The use of land for the purpose of agriculture, including for agricultural plantations and set-aside agricultural areas, and rearing livestock. **Source:** <u>EU Deforestation Regulation (EU) 2023/1115</u>

Agroforestry

Other Land with tree cover with temporary agricultural crops and/or pastures/animals. **Explanatory notes**: • Includes areas with bamboo and palms provided that land use, height and canopy cover criteria are met. • Includes Agrisilvicultural, Silvipastoral and Agrosilvopastoral systems. **Source**: <u>EU Deforestation Regulation (EU) 2023/1115</u> and <u>FAO FRA 2020;</u> **NOTE**: According to the <u>EU Deforestation Regulation (EU) 2023/1115</u>, Agroforestry systems are considered Agriculture and agricultural use.



Armed conflict

Armed conflict refers to a situation where two or more groups engage in a violent confrontation using military or paramilitary forces. It is often characterised by using weapons, including firearms, explosives and other types of weaponry, and may involve fighting on the ground, in the air or at sea. Armed conflicts can be categorised into different types based on various factors, such as the nature of the conflict, the parties involved, the duration and the level of intensity. These include: • International armed conflict. This is a conflict between two or more states or nations. • Non-international armed conflict. This is a conflict that occurs within the boundaries of a single state or nation, between the government and non-state actors or between non-state actors. • Civil war. This is a type of non; C-international armed conflict that occurs between different groups within the same state or nation. • Guerrilla warfare. This is a type of non-international armed conflict characterised by small-scale, hit-and-run tactics used by irregular forces against a larger, more organised army. Sources: EC GUIDANCE DOCUMENT FOR THE EU TIMBER REGULATION: Consideration of prevalence of armed conflict and sanctions in Due Diligence Systems; Commission Recommendation (EU) 2018/1149

В

Biodiversity

The variability among living organisms from all sources, including, among other things, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; it includes diversity within species, between species and of ecosystems. **Source**: *Convention on Biological Diversity 1992, Article 2.*https://www.cbd.int/doc/legal/cbd-en.pdf

C

Carbon footprint

The total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tons of carbon dioxide (eCO2). This means that the *carbon footprint* may include the emissions of other greenhouse gasses than carbon dioxide (such as methane).

Central office

A clearly defined function in terms of the responsible positions, their authority and role to ensure that all members in group certification or all sites in a multi-site certification comply with all applicable requirements.

Certification code

Each certified organisation under the Preferred by Nature Certification is assigned a distinct code by Preferred by Nature. This code is specified on the certificate, which is issued to organisations that have demonstrated compliance with the relevant requirements of the Sustainability Framework.

Certification scheme

 3^{rd} party scheme providing assurance of conformance to a normative Framework.

Chain of Custody model

The approach taken to control inputs and outputs and associated characteristics of the material and related information and claims. This standard allows two models to be used: Segregated (SG) or Mass Balance (MB) model.

Chain of Custody system

A CoC system includes measures that define the responsibility for the custody of materials and products when these are sourced from one organisation, handled and then transferred to another organisation within the supply chain. Its purpose is to ensure that specified characteristics (e.g. that the product or a component of the product is Preferred by Nature certified) are indeed to be the ones that are delivered in the output.

Chemical

In the Sustainability Framework, chemicals are broadly defined as distinct compounds or substances that have been artificially prepared or purified. Chemicals in the context of the Sustainability Framework may include any such substance, including different types of prohibited chemicals, but focus on different types of agrochemicals, such as pesticides, herbicides, insecticides, fungicides, fertilisers. It may also include other chemicals used in processing and manufacturing. (Also see the definition of prohibited chemicals in this document.)



Child

Any person under the age of 15, unless the minimum age for work or mandatory schooling is higher by local law, in which case the stipulated higher age applies in that locality. **Source**: <u>Social Accountability Standard 8000-2014</u>

Child labour

The term "child labour" is often defined as work that deprives children of their childhood, their potential and their dignity and that is harmful to physical and mental development. It refers to work that: ● is mentally, physically, socially or morally dangerous and harmful to children; and ● interferes with their schooling by • depriving them of the opportunity to attend school; • obliging them to leave school prematurely or • requiring them to attempt to combine school attendance with excessively long and heavy work. In accordance with international labour standards, a minor between the age of 12 and 15 may work, in parallel with studying, on a farm owned or operated by that parent or person standing in place of their parents [a guardian] if the following conditions are met: • The minor freely reports their wish to help and learn at the family farm if interviewed outside the farm; • Work takes place outside of schooling; • Work is always supervised by a parent or quardian; • Work does not take place at night, does not consist of heavy lifting duties or hazardous work conditions, defined as • operating or assisting to technically operate any type of machine, including tractor and power engines; working from a ladder or scaffold (painting, repairing or building structures, pruning trees, picking fruit, etc.) at a height of over 2 metres; • working in a confined space (e.g. silo or storage designed to retain an oxygen-deficient or toxic atmosphere); • handling or applying any type of agricultural chemicals. The above requirements also apply to agricultural schools - apprentices and students who can be present on farms. Not all work done by children should be classified as child labour that is to be targeted for elimination. Children's or adolescents' participation in work that does not affect their health and personal development or interfere with their schooling is generally considered positive. It includes activities such as helping their parents with housework, assisting in a family business or earning pocket money outside school hours and during school holidays. These kinds of activities contribute to children's development and to the welfare of their families. They provide them with skills and experience and help prepare them to be productive members of society during their adult life. Source: International Labour Organization

Claim

A message used to describe or promote a product concerning its sustainability attributes or specified characteristics. The term claimed material is used in this Standard to denote any material for which the organisation asserts a claim, following the options outlined in the Preferred by Nature Certification Standards.

Child labour, the worst form of

Whilst child labour takes many different forms, a priority is to eliminate without delay the worst forms of child labour as defined by Article 3 of ILO Convention No. 182: • All forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; • The use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; • The use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; • Work which, by its nature or the circumstances in which it is carried out, is likely to harm children's health, safety or morals.

Source: Worst Forms of Child Labour Convention, 1999 (No. 182)

Community rights

Although "community rights" is not a defined concept in international law, community members are entitled to the full range of human rights. Moreover, given the social, economic and political structures and cohesion of communities, there may often be a collective aspect to their rights. In this regard, there may be commonalities between community rights and indigenous peoples' rights, especially when projects impact lands and resources that concern entire communities rather than individuals.

Component

A part or element of a semi-finished or finished manufactured product. For clarity and to keep the language shorter, ingredients of food products are also called components in this Standard. A component can be cocoa in a chocolate bar or a specific wooden component in a piece of furniture.

Conformance

In the context of the Preferred by Nature Certification, conformance refers to the high likelihood of no violations against the applicable criteria or requirements. However, it is essential to note that this does not guarantee 100% conformance at all



times for all aspects. In some cases, a risk-based approach is employed to assess conformance, and typically, sampling is utilised for this purpose as well.

Conversion factor

The ratio between the output and input materials for a given product or production process in a specified location. For example, the ratio of sawn timber that can be produced from a unit of roundwood or the amount of crude palm oil that can be produced from a unit of fresh fruit bunches.

Core component

The main component in a multi-component product. The core component is the main component that is usually associated with the product. It is typically a substantial and often also visible or prominent part of the product. For example, for chocolate, cocoa is a core component. In case of doubt, please contact Preferred by Nature to clarify if a component would be eligible as a core component for a given product. Correct application of this definition is critical for multi-component products and related claims.

Complaint

A complaint is defined as a formal expression of dissatisfaction by any person or organisation presented as a complaint to an organisation or a person.

Conflict of interest

A conflict of interest occurs when a person's or entity's vested interests may affect their actions, judgment, and/or decision-making. For a public servant, a conflict of interest involves a conflict between a public official's public duty and private interests, in which the public official has private-capacity interests, which could improperly influence the performance of their official duties and responsibilities. **Source**: *OECD*, https://www.oecd.org/gov/ethics/2957360.pdf

Control measure

An action that an organisation shall take to mitigate the risk of sourcing material from unacceptable sources.

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

A multilateral treaty that aims to ensure that international trade in specimens of wild animals and plants does not threaten their survival. **Source**: <u>CITES</u>

Conversion

Conversion is defined as a change in a natural ecosystem (including forest and non-forest ecosystems) to another land use or severe degradation that results in a profound change in the ecosystem's species composition, structure or function.

Core sustainability requirements

Indicators of the Sustainability Framework that include requirements considered by Preferred by Nature to be required for achieving sustainability in production or processing.

Corruption Perceptions Index (CPI)

A global index of the perceived level of corruption in individual countries. The index has been developed by Transparency International. **Source**: *Transparency International*

Corruption

Transparency International defines corruption as the abuse of entrusted power for private gain. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs.

Customary law

Interrelated sets of customary rights may be recognised as customary law. In some jurisdictions, customary law is equivalent to statutory law within its defined area of competence and may replace the statutory law for defined ethnic or other social groups. In some jurisdictions, customary law complements statutory law and is applied in specified circumstances. **Source**: FSC standard FSC-STD-01-001 V5-2. https://fsc.org/en/current-processes/fsc-std-01-001-v5-2-fsc-principles-and-criteria-pc-for-forest-stewardship



Customary rights

Rights resulting from a long series of habitual or customary actions, constantly repeated, which have, by such repetition and uninterrupted acquiescence, acquired the force of law within a geographical or sociological unit. **Source**: FSC-STD-01-001 V5-2. https://fsc.org/en/current-processes/fsc-std-01-001-v5-2-fsc-principles-and-criteria-pc-for-forest-stewardship

D

Date or time range of production

This refers to the period during which trees or agricultural products were harvested, excluding cattle, where it specifically pertains to the date or time range of slaughtering for cattle. Per the EU Deforestation Regulation (the Regulation; EUDR), Operators (and non-SME Traders) are obligated to gather information concerning the production date or time range as outlined in Article 9 of the Regulation.

This information is needed to establish whether the product is deforestation-free, and it applies to the relevant products that contain, have been fed with, or have been made using the scope of commodities included in the Regulation.

Sources: <u>EU Deforestation Regulation (EU) 2023/1115</u> and <u>European Commission Frequently Asked Questions - Deforestation Regulation 29 June 2023</u>

Deforestation

In the EU Deforestation Regulation, *deforestation* is defined as the conversion of *forest* into *agriculture*, whether human-induced or not. **Source**: <u>EU Deforestation Regulation (EU) 2023/1115</u>; In the context of the Preferred by Nature Certification, Preferred by Nature takes a slightly broader definition, including the conversion of *natural forest* into *plantation* or *other wooded land* or *other land*. In this definition, *deforestation* is the loss of *natural forest* as a result, whether human-induced or not, of: • Conversion to *agriculture* or *other non-forest land use*; • Conversion to a *plantation forest* or; • Severe and sustained degradation.

Deforestation-free (synonym: no-deforestation)

'Deforestation-free' means: (a) that products contain, have been fed with or have been made using relevant commodities that were produced on land that has not been subject to deforestation after 31 December 2020; and (b) products that contain or have been made using wood, that the wood has been harvested from the forest without inducing forest degradation after 31 December 2020. **Source**: *EU Deforestation Regulation (EU) 2023/1115*

Discrimination

Any distinction, exclusion or preference made based on race, national or territorial, or social origin, caste, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or any other issue. Source: ILO Convention 111; Examples include discrimination based on • Race, colour, sex, age, sexual orientation, gender, caste, religion, political opinion, national extraction or social origin • Nationality or migratory status • Civil status • Medical condition • Family condition, including pregnant women and parents with children, or any other protected status as included in applicable laws • Worker organisation membership or being an organiser • Having filed complaints within the complaints or grievance mechanisms. Source: Sustainable Agriculture Standard

Downstream

The downstream supply chain refers to activities post-manufacturing, namely distributing the product to the final customer. Downstream supply chain can also be thought of as the "demand" (while upstream supply chain is the "supply"). The downstream supply chain refers to the activities involved in distributing and delivering finished goods from a business to its customers, or end consumers. It encompasses processes such as distribution, order fulfilment and sales. One of the key features of the downstream supply chain is its focus on customer-driven operations, aiming to meet the demands and preferences of end consumers.

Due Diligence System (DDS)

A set of steps or actions taken to ensure that due diligence is exercised. The *Due Diligence System* may consist of written guidelines and procedures describing the due diligence process in detail.

Due diligence

In the context of this Framework, due diligence is considered to define the actions taken by organisations to ensure that the production, processing or sourcing of commodities is done in a responsible way, using a risk-based approach. A general definition of the term is "the care that a reasonable person exercises to avoid harm to other persons or their property".



Е

Ecosystem restoration

(In relation to environmental harms) The process of assisting the recovery of an ecosystem and its associated conservation values that have been degraded, damaged or destroyed. **Source**: <u>Accountability Framework definitions</u>

Endangered species

Plant or animal species categorised as endangered by national law or by international organisations, such as the International Union for Conservation of Nature (IUCN). In descending order of threat, the IUCN Red List threat categories are as follows: Extinct or Extinct in the Wild. Critically Endangered, Endangered and Vulnerable: species threatened with global extinction. **Source**: <u>IUCN</u>

End user

A person or organisation that purchases the product for the purpose of consuming it or using the product for its intended final use purpose. End users always purchase final products, but final products may be traded also between business entities that are not end users, such as distributors, traders and wholesalers.

Employer-provided housing

Housing provided to workers by the employer. For healthy and safe housing, the following should be met: • Employer-provided housing shall be clearly segregated from the factory and production areas and have clearly segregated housing for males and females for respect of privacy, where necessary. • Employer-provided housing shall be safely built and maintained hygienic. • Workers shall be able to enter and leave buildings freely. • Employer-provided housing shall have automatic fire detection and alarm systems. • Employer-provided housing shall respect personal floor space and minimum cubic air content. • Employer-provided housing shall be provided with adequate lighting and ventilation. • Employer-provided housing shall have windows large enough to enable the workers to read by natural light and be constructed to allow fresh air entrance, whether artificial lighting or ventilation turned on. • Employer-provided housing shall have appropriate ventilation that is properly functioning and maintained. • Employer-provided housing shall be equipped with sleeping facilities with beds and mattresses above the floor and quiet and dark enough to allow for good sleep quality. • Employer-provided housing shall enable access to potable water, electricity, clean shower and toilet facilities respecting the right of privacy, sanitary food preparation and storage facilities. • Employer-provided housing shall have personal storage equipment with lockable lockers. Source: Adapted from the ILO Workers' housing recommendation. https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100 ILO CODE:R115

EU Deforestation Regulation (the Regulation; EUDR)

Formally, Regulation (EU) 2023/1115. A European Union law aiming to reduce the risk of products associated with deforestation or forest degradation being placed on – or exported from – the EU market. The Regulation sets due diligence requirements for European companies in relation to products they source, which may contain, be made from or fed with commodities linked to a high risk of deforestation: soy, beef, oil palm, rubber, wood, cocoa and coffee.

Source: (EU) 2023/1115: (EU) 2023/1115. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R1115&qid=1685447412955

Environmental Impact Assessment (EIA)

The systematic process used to identify potential environmental and social impacts of proposed projects to evaluate alternative approaches and to design and incorporate appropriate prevention, mitigation, management and monitoring measures. Source: Based on environmental impact assessment, guidelines for FAO field projects. Food and agriculture organization of the United Nations (FAO). Rome. http://www.fao.org/climatechange/29103-02e9a33753ffc325da1e25250c06c927b.pdf

Establishment

Any premise, structure or, in the case of open-air farming, environment or place where animals are kept on a temporary or permanent basis. **Source**: <u>EU Deforestation Regulation (EU) 2023/1115</u>



F

Fertiliser

Organic or inorganic substances containing chemical elements that improve the growth of plants and the fertility of the soil. In inorganic or mineral fertilisers, the nutrients are inorganic salts obtained by extraction and/or physical and chemical processes. The three primary plant nutrients are nitrogen, phosphorus and potassium.

Source: OECD. <u>https://stats.oecd.org/glossary/detail.asp?ID=947</u>

Final product

Product where no further modification (including packing or repacking) of the product occurs. Final products may be sold and purchased by distributors and wholesalers, but they will eventually be sold to the end users.

Forest

Land spanning more than 0.5 hectares with trees higher than 5 metres and a canopy cover of more than 10 per cent or trees able to reach these thresholds in situ. It does not include land that is predominantly under *agricultural* or *urban land use*. Also, see Annex B. **Source**: *EU Deforestation Regulation (EU) 2023/1115*

Forest degradation

In the context of the EU Deforestation Regulation, forest degradation means structural changes to forest cover, taking the form of the conversion of primary forests or naturally regenerating forest into plantation forest or into other wooded land and the conversion of primary forest into planted forests. **Source**: EU Deforestation Regulation (EU) 2023/1115

Free, Prior, and Informed Consent (FPIC)

A legal condition whereby a person or community can be said to have given consent to an action prior to its commencement, based upon a clear appreciation and understanding of the facts, implications and future consequences of that action, and the possession of all relevant facts at the time when consent is given. Free, Prior and Informed Consent includes the right to grant, modify, withhold or withdraw approval. FPIC is required prior to the approval and/or commencement of any project that may affect the lands, territories and resources that Indigenous Peoples customarily own, occupy or otherwise use in view of their collective rights to self-determination and to their lands, territories, natural resources and related properties. Understanding the terminology associated with FPIC can help companies to effectively contribute to, facilitate, lead and assess FPIC processes: • Free: Consent is given by the affected Indigenous Peoples (IP) or local communities (LC) voluntarily without coercion, duress and intimidation. • Prior: The consent is given before the specified activity is authorised or commenced. • Informed: The consent is given after the Indigenous Peoples or local communities have received the relevant, timely and culturally appropriate information necessary to make a fully informed decision. • Consent: The IP/LC take a collective decision to grant or withhold approval of the specified activity. Sources: United Nations Declaration On The Rights Of Indigenous Peoples and United Nations Office of the High Commissioner for Human Rights



Gender equality

Gender equality means that women and men have equal conditions for realising their full human rights and for contributing to and benefiting from economic, social, cultural and political development. *Gender equality* is, therefore, the equal valuing by society of the similarities and differences of men and women, and the roles they play. It is based on women and men being full partners in their home, their community and their society. **Source**: <u>UNESCO</u>

Genetically Modified Organism (GMO)

An organism in which the genetic material has been altered in a way that does not occur naturally by mating and/or natural recombination.

Geolocation preserved

Material known to originate from a single plot of land or establishment or from a pool of plots of land or establishments. See also the term Geolocation.



Geolocation

The geographical location of a plot of land or establishment, described by means of latitude and longitude coordinates corresponding to at least one latitude and longitude point and using at least six decimal digits. For relevant commodities other than cattle, for plots of land of more than 4 hectares, the geographical location shall be provided using polygons, meaning sufficient latitude and longitude points to describe the perimeter of each plot of land.

Source: EU Deforestation Regulation (EU) 2023/1115

Greenhouse Gas (GHG)

A gas that contributes to the natural greenhouse effect. The Kyoto Protocol covers a basket of six greenhouse gases (GHGs) produced by human activities: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Annex I: Parties' emissions of these gases taken together are to be measured in terms of carbon dioxide equivalents based on the gases' global warming potential. **Source**: https://www.eea.europa.eu/help/glossary/eea-glossary/greenhouse-gas

GHG offset

A carbon offset is a reduction in carbon dioxide emissions or other greenhouse gases made to compensate for emissions produced elsewhere. Carbon offsets are measured in tonnes of carbon dioxide equivalent (CO₂e). Carbon offset schemes allow individuals and companies to invest in environmental projects around the world to balance out their own carbon footprints. The projects are usually based in developing countries and most commonly are designed to reduce future emissions. This might involve rolling out clean energy technologies or purchasing and ripping up carbon credits from an emissions trading scheme. Other schemes work by soaking up CO2 directly from the air by planting trees.

Н

Hazardous work

Hazardous work is defined as work that may expose the worker to one or more of the following: • Mechanical hazards. Certain equipment poses a cutting or crushing hazard. • Chemical hazards. Certain substances and compounds pose a chemical hazard. • Physical hazards may include noise, machinery vibration, work at elevated heights, cold, heat or unusually high or low air pressure. • Electrical hazards. A particular electrical hazard is involved in working on live wires or in the vicinity of exposed live components, and in the maintenance and repair of high-tension current equipment and lifts. • Bodily strain. Bodily strain may result from heavy lifting and other work involving unequal loading. • Biological hazards. Certain biological factors pose a specific hazard. • Certain other types of work.

Source: https://www.ilo.org/safework/areasofwork/hazardous-work/lang--en/index.htm

High Conservation Value (HCV)

Any of the following values: • HCV1: Species diversity. Concentrations of biological diversity, including endemic species and rare, threatened or endangered species that are significant at global, regional or national levels. • HCV 2: Landscape-level ecosystems and mosaics. Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance. • HCV 3: Ecosystems and habitats. Rare, threatened or endangered ecosystems, habitats or refugia. • HCV 4: Critical ecosystem services. Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes. • HCV 5: Community needs. Sites and resources fundamental for satisfying the necessities of local communities or Indigenous Peoples (for example, for livelihoods, health, nutrition, water), identified through engagement with these communities or Indigenous Peoples. • HCV 6: Cultural values. Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or Indigenous Peoples, identified through engagement with these local communities or Indigenous Peoples. Source: FSC standard FSC-STD-01-001 V5-2

Human rights

Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination. **Source**: <u>United Nations</u>



Ι

Illegally harvested wood

Wood that has been harvested in violation of applicable laws related to harvesting in that location or jurisdiction. **Source**: *Adopted from FSC Glossary of Terms (FSC-STD-01-002, updated 19 October 2017).*

ILO fundamental conventions

The eight ILO fundamental conventions are: 1. The Forced Labour Convention, 1930 (No. 29) 2. The Abolition of Forced Labour Convention, 1957 (No. 105) 3. The Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) 4. The Right to Organise and Collective Bargaining Convention, 1949 (No. 98) 5. The Equal Remuneration Convention, 1951 (No. 100) 6. The Discrimination (Employment and Occupation) Convention, 1958 (No. 111) 7. The Minimum Age Convention, 1973 (No. 138) and 8. The Worst Forms of Child Labour Convention, 1999 (No. 182)

Source: ILO

Indicator

A quantitative or qualitative variable which can be measured or described, and which provides a means of judging whether a Management Unit complies with the requirements of a Criterion. Indicators and the associated thresholds thereby define the requirements for responsible management at the level of the Management Unit and are the primary basis of conformance evaluation. **Source**: Adopted from FSC Glossary of Terms (FSC-STD-01-002, updated 19 October 2017).

Indigenous Peoples

People and groups of people that are characterised by all of the following points: • The key characteristic or criterion is self-identification as Indigenous Peoples at the individual level and acceptance by the community as their member • Historical continuity with pre-colonial and/or pre-settler societies • Strong link to territories and surrounding natural resources • Distinct culture and beliefs • Form non-dominant groups of society and • Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. Sources: ILO, Indigenous and Tribal Peoples
Convention, 1989 (No. 169), United Nations Permanent Forum on Indigenous Issues, Factsheet 'Who are Indigenous
Peoples' October 2007; United Nations Development Group, 'Guidelines on Indigenous Peoples' Issues' United Nations
2009, United Nations Declaration on the Rights of Indigenous Peoples, 2008

Industry wage standards

Industry wages are wages paid for all occupations within an industry.

Input material

Material or product sourced by an organisation for trading, with or without processing activities applied to it.

Land management rights

Land management rights refer to the specific ways in which a piece of land can be used or developed, as designated by local land-use regulations or zoning laws. Land management rights may include the right to build a particular type of structure, the right to operate a specific type of business or the right to farm or extract resources from the land. These rights can be subject to various conditions and restrictions, such as environmental regulations or building codes. In general, land tenure rights establish who has legal control over a piece of land, while land management rights specify how that land can be used.

Land tenure rights

Land tenure rights refer to the legal rights of an individual or group to occupy and use a piece of land, including the right to transfer or sell the land to others. Land tenure rights are often associated with land ownership but can also be established through leasehold or other forms of tenancy agreements. Land tenure is the relationship, whether legally or customarily defined, among people, as individuals or groups, with respect to land. (For convenience, "land" is used here to include other natural resources, such as water and trees.) Land tenure is an institution, i.e. rules invented by societies to regulate behaviour. Rules of tenure define how property rights to land are to be allocated within societies. They define how access is granted to rights to use, control and transfer land, as well as associated responsibilities and restraints. In simple terms, land tenure systems determine who can use what resources for how long and under what conditions.

Source: Food and Agriculture Organization of the United Nations



Legal compliance indicators

Indicators of the Sustainability Framework that require compliance with applicable legislation.

Living wage

The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. 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.

Source: Global Living Wage Coalition

Local community

Communities of any size that are in or adjacent to the Management Unit and also those that are close enough to have a significant impact on the economy or the environmental values of the Management Unit or to have their economies, rights or environments significantly affected by the management activities or the biophysical aspects of the Management Unit. **Source**: <u>FSC Glossary of Terms (FSC-STD-01-002, updated 19 October 2017)</u>

Low risk

A conclusion, following a risk assessment, that there is a negligible or insignificant risk that material does not meet specific criteria (legal or otherwise) when produced, sourced or traded in a supply chain. Risk mitigation actions are not required for products with the low-risk designation. **Note**: The term 'negligible' can be considered to mean that the level of risk applied to the material shows no cause for concern in relation to its conformance with the specific criterion after a full assessment is conducted and, where necessary, appropriate mitigation measures are applied. **Source**: Adapted from Requirements for sourcing FSC Controlled Wood FSC-STD-40-005 and EU Deforestation Regulation 21Dec22 text.

М

Mass Balance Model

A CoC model, in which Sustainability Scope Material and Regulatory Scope Material are mixed. The share of the output material that can be sold with related claims is proportionate to the share of respective input material categories.

Material category

Classification of input and output material depending on its level of conformance with the Sustainability Framework indicators. According to this Chain of Custody Standard, there are three material categories: Sustainability scope material, Regulatory scope material, and Other material.

Micro-undertaking

An Organisation that meets all the following size criteria: balance sheet total is under EUR 350 000; and net annual turnover is under EUR 700 000; and average number of employees during the financial year is under 10. **Source**: The term is adopted from Article 3 of Directive 2013/34/EU of the European Parliament and the Council. <u>EUR-Lex - 32013L0034 - EN - EUR-Lex (europa.eu)</u>

Multi-component product

Products composed of multiple components, such as a table with a glass top and wooden frame or a chocolate bar containing cocoa, cocoa butter, sugar and nuts.

Modern slavery

Modern slavery is defined as situations when people are • Forced to work – through coercion or mental or physical threat
• Owned or controlled by an 'employer' through mental or physical abuse or the threat of abuse • Dehumanised, treated as
a commodity or bought and sold as 'property' or • Physically constrained or having restrictions placed on their freedom of
movement. Modern slavery can take different forms: • Forced labour – any work or services which people are forced to do
against their will under the threat of some form of punishment; • Debt bondage or bonded labour – the world's most
widespread form of slavery, when people borrow money they cannot repay and are required to work to pay off the debt,
then losing control over the conditions of both their employment and the debt; • Human trafficking – involves transporting,
recruiting or harbouring people for the purpose of exploitation, using violence, threats or coercion; • Descent-based
slavery – where people are born into slavery because their ancestors were captured and enslaved; they remain in slavery
by descent. • Child slavery – many people often confuse child slavery with child labour, but it is much worse. Whilst child
labour is harmful to children and hinders their education and development, child slavery occurs when a child is exploited for



someone else's gain. It can include child trafficking, child soldiers, child marriage and child domestic slavery. • Forced and early marriage – when someone is married against their will and cannot leave the marriage. Most child marriages can be considered slavery. Source: Anti-Slavery International

Multi-component product

Products composed of multiple components, such as a table with a glass top and wooden frame or a chocolate bar containing cocoa, cocoa butter, sugar and nuts.

N

Natural forests

Natural forest is defined as including both primary forest and naturally regenerating forest. Source: FAO FRA 2020

Naturally regenerating forest

Forest predominantly composed of trees established through natural regeneration. **Explanatory notes:** • It includes forests for which it is not possible to distinguish whether planted or naturally regenerated. • It includes forests with a mix of naturally regenerated native tree species and planted/seeded trees, and where the naturally regenerated trees are expected to constitute the major part of the growing stock at stand maturity. • It includes coppice from trees originally established through natural regeneration. • It includes naturally regenerated trees of introduced species.

Source: EU Deforestation Regulation (EU) 2023/1115

Non-conforming product/material

Any material or product that is produced, processed or traded in violation of applicable legislation or the requirements of the Sustainability Framework.

Non-forest land

A category containing sub-categories of other wooded land and other non-wooded land. Other non-wooded land includes other wooded land, other natural ecosystems, other land and agricultural land. Source: FAO FRA 2020



Off-product

It refers to **product-related** Seal use to indicate the certified status of **final products**, except placing the Seal directly on products or their packaging. Examples of off-product use include using the Seal on marketing materials, product catalogues or social media with reference to the certified status of specific final products. Note that this term is used in this Policy only in relation to **final products**.

On-product

It indicates using the Seal directly on the Preferred by Nature certified final products or on such products' packaging to communicate that the products have been produced with care for people, nature and the climate. On-product Seal use includes using the Seal directly on products, as well as on any product packaging, labels, tags, stickers, hangtags or other items that are attached to the product or its packaging. Note that this term is used in this Policy only in relation to final products.

Organisation

Individual, company or legal entity responsible for meeting the requirements of this Framework. *Organisation* covers all legal entities owned or managed directly by that legal entity.

Origin

The geographic source of materials, which, at a minimum, must specify the country of production/harvest, and where applicable, sub-national region or farm or forest where the produce was harvested or produced.

Origin not tracked

Material for which Geolocation or Source information is not collected and communicated.



Other material

Any material that does not meet the requirements of either Sustainability scope material or Regulatory scope material.

Other land

Land that is not classified as forest, other wooded land, agricultural land, or other natural ecosystems. Other land may or may not have trees on them. Explanatory notes: • Land use is the key criterion for distinguishing between forest and other land with or without tree cover. • It includes built-up areas, mining, barren land, land under permanent ice, etc. • It includes groups of trees and scattered trees (e.g. trees outside forest) in agricultural landscapes, parks, gardens and around buildings • It includes tree stands in agricultural production systems, such as fruit tree plantations/orchards.
• It includes agroforestry systems where crops are grown under tree cover and tree plantations established mainly for purposes other than wood, such as oil palm plantations. Source: FAO FRA 2020

Other natural ecosystems

Natural ecosystems other than *forests* that substantially resemble, in terms of species composition, structure and ecological function – one that is or would be found in a given area in the absence of major human impacts. These include human-managed ecosystems where much of the natural species composition, structure and ecological function are present.

Explanatory notes: • They include largely "pristine" natural ecosystems that have not been subject to major human impacts in recent history. • They include regenerated natural ecosystems that were subject to major impacts in the past (for instance, by agriculture, livestock raising, tree plantations or intensive logging) but where the main causes of impact have ceased or greatly diminished, and the ecosystem has attained species composition, structure and ecological function similar to prior or other contemporary natural ecosystems. • They include managed natural ecosystems (including many ecosystems that could be referred to as "semi-natural") where much of the ecosystem's composition, structure and ecological function are present. These include managed natural forests and native grasslands or rangelands that are, or have historically been, grazed by livestock. • They include natural ecosystems that have been partially degraded by anthropogenic or natural causes (e.g. harvesting, fire, climate change, invasive species or others) but where the land has not been converted to another use and where much of the ecosystem's composition, structure and ecological function remain present or are expected to regenerate naturally or by management for ecological restoration.

Source: Accountability Framework definitions

Other non-wooded land

A category that encompasses other natural ecosystems, other land and agricultural land. Source: FAO FRA 2020

Other planted forest

Planted forest which is not classified as *Plantation forest*. Forest predominantly composed of trees established through planting and/or deliberate seeding. **Explanatory notes**: • In this context, predominantly means that the planted/seeded trees are expected to constitute more than 50 per cent of the growing stock at maturity. • Includes coppice from trees that were originally planted or seeded. **Sources**: *EU Deforestation Regulation (EU)* 2023/1115 and FAO FRA 2020

Other wooded land

Land not classified as *forest*, spanning more than 0.5 hectares, with trees higher than 5 metres and a canopy cover of 5-10 per cent, or trees able to reach these thresholds in situ, or with a combined cover of shrubs, bushes and trees above 10 per cent. It does not include land that is predominantly under agricultural or urban land use. **Explanatory notes**: The definition above has two options: • The canopy cover of trees is between 5 and 10 per cent; trees should be higher than 5 metres or able to reach 5 metres in situ; or • The canopy cover of trees is less than 5 per cent, but the combined cover of shrubs, bushes and trees is more than 10 per cent. It includes areas of shrubs and bushes where no trees are present; • It includes areas with trees that will not reach a height of 5 metres in situ and with a canopy cover of 10 per cent or more, e.g. some alpine tree vegetation types, arid zone mangroves, etc. **Sources**: *EU Deforestation Regulation (EU)* 2023/1115 and FAO FRA 2020

Output material

Material or product sold by an organisation. Processing activities may or may not be applied to it.

Outsourcing

Subcontracted manufacturing or other handling services of materials/products by an independent third party. The organisation to which the handling or processing is outsourced is called a sub-contractor.



Plot of land

An extension of land within a single real-estate property, as recognised by the laws of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of the risk associated with commodities produced on that plot. Where applicable in this Standard, the plot of land is described by relevant geolocation data. Source: *EU Deforestation Regulation (EU) 2023/1115*

Ozone-depleting substances

Man-made substances that, when released into the atmosphere, damage the stratospheric ozone layer, Earth's protective shield that protects humans and the environment from harmful levels of ultraviolet radiation from the sun. The Montreal Protocol on Substances that Deplete the Ozone Layer controls the global use of these substances. Its objective is to protect the stratospheric ozone layer by phasing out the production of ozone-depleting substances. The protocol covers over 200 individual substances with a high ozone-depleting potential (ODP), including chlorofluorocarbons (CFCs), halons, carbon tetrachloride (CTC), 1,1,1-trichloroethane (TCA), hydrochlorofluorocarbons (HCFCs), hydrobromofluorocarbons (HBFCs), bromochloromethane (BCM) and methyl bromide (MB), all of which are referred to as 'controlled substances'. The controlled substances can be found in annexes A, B, and C of the Montreal Protocol.

Source: https://ozone.unep.org/treaties/montreal-protocol/articles/annex-controlled-substances

P

Plantation forest

A planted forest that is intensively managed and meets, at planting and stand maturity, all the following criteria: one or two species, even age class, and regular spacing; it includes short rotation plantations for wood, fibre and energy and excludes forests planted for protection or ecosystem restoration, as well as forests established through planting or seeding, which at stand maturity resemble or will resemble naturally regenerating forests. **Source**: <u>EU Deforestation Regulation (EU)</u> 2023/1115

Planted forest

A category including *plantation forest* and *other planted forest*. Forest predominantly composed of trees established through planting and/or deliberate seeding provided that the planted or seeded trees are expected to constitute more than 50 % of the growing stock at maturity; it includes coppice from trees that were originally planted or seeded.

Sources: <u>EU Deforestation Regulation (EU) 2023/1115</u> and <u>FAO FRA 2020</u>

Post-consumer reclaimed material

Material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or by commercial, industrial and institutional facilities in their role as end-users of the product and would otherwise have been discarded as waste. This definition, therefore, excludes material that is reclaimed from a process of secondary manufacture or further downstream industry, in which the material has not been intentionally produced, is unfit for end-use and may or may not be capable of being re-used on-site in the same manufacturing process that generated it.

Primary forest

Naturally regenerated forest of native tree species, where there are no clearly visible indications of human activities and the ecological processes are not significantly disturbed. **Explanatory notes:** • It includes both pristine and managed forests that meet the definition. • It includes forests where Indigenous Peoples engage in traditional forest stewardship activities that meet the definition. It includes forest with visible signs of abiotic damages (such as storm, snow, drought, fire) and biotic damage (such as insects, pests and diseases). • It excludes forests where hunting, poaching, trapping or gathering have caused significant native species loss or disturbance to ecological processes. • Some key characteristics of primary forests are: • They show natural forest dynamics, such as natural tree species composition, the occurrence of dead wood, natural age structure and natural regeneration processes. • The area is large enough to maintain its natural ecological processes. • There has been no known significant human intervention, or the last significant human intervention was long enough ago to have allowed the natural species composition and processes to have become re-established.

Sources: EU Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020

Procedure

The established way of doing a series of actions. In the Preferred by Nature Certification context, required procedures describe how systems are intended to work.



Processing

Processing denotes activities of processing primary commodities or raw materials. Processing may be primary or secondary.

Product-related (seal-use)

It indicates using the Seal in relation to final products. Product-related use has two options: On-product use refers to the Seal directly on a product or its packaging. Off-product use pertains to the application of the Seal in connection with products, such as in product marketing catalogues or other promotional materials. Please be aware that this term is exclusively employed in the Seal Use Policy concerning final products.

Production

Referred to primary production at the farm or forest level, such as growing crops and trees.

Prohibited chemicals

Chemicals that may not be used by entities certified as complying with the Sustainability Framework. This list has been developed by Preferred by Nature and includes chemicals with active ingredients classified according to at least one of the following criteria: • Listed in Annex A or B of the Stockholm Convention on Persistent Organic Pollutants (POP) and/or recommended for inclusion in Annex A or B of the Stockholm Convention by the POPs Review Committee (POPRC); ◆ Listed in the Montreal Protocol on Substances that Deplete the Ozon Layer; • Listed in Annex III of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (PIC) or recommended for inclusion in Annex III by the Chemical Review Committee (CRC); • Listed in classes Ia and Ib under the World Health Organisation's Recommended Classification of Pesticides by Hazard; • Classified as reproductive toxicity category 1 or carcinogenic toxicity category 1 or mutagenic toxicity category 1 or carcinogenic toxicity category 2 and reproductive toxicity category 2, according to the Globally Harmonized System (GHS) of Classification and Labelling of Chemicals as implemented/applied by the European Union (Regulation 1272/2008 and Regulation 1107/2009) and by Japan. It should be noted that some pesticides or chemicals on the prohibited list may be used in certain circumstances that limit the risk from said ingredients. As an exception, it is allowed to use rodenticides with active ingredients in the prohibited list to control rodents, but only if the chemical is contained in dedicated bait boxes, thus preventing access for other than the intended purpose. In cases where Preferred by Nature develops a commodity-specific guidance, the list of Prohibited Chemicals may be adjusted considering the specifics within the commodity. See Annex A for the list of prohibited chemicals.

Protected species

Animal or plant species protected by national or international law.

Publicly available information

Information that has been published or broadcast for public consumption, is available at request to the public, is accessible online or otherwise to the public, is available to the public by subscription or purchase, could be seen or heard by any casual observer, is made available at a meeting open to the public or is obtained by visiting a place or attending an event that is open to the public.

R

Raw material

Basic material in its state of origin that is converted by manufacturing, processing or combination into a new, usually higher-value product (e.g., cotton, timber, cocoa, rubber, etc.).

Records

Written or stored information. Records may mean copies of documents or information stored digitally with information on systems and data collected that can be used to show compliance with the Framework's requirements.

Regulatory Scope Material

Material originating from sources conforming to the subset of regulatory indicators in the Preferred by Nature Sustainability Framework. Such indicators are currently designated as the EUDR (EU Deforestation Regulation) indicators. Regulatory Scope Material can be used in both Segregated and Mass Balance models.



Remediation

Terms used interchangeably or in combination with one another to refer to both the process of providing redress for a negative impact and the substantive outcomes that can counteract or make good the negative impact. These outcomes may take a range of forms, such as apologies, restitution, rehabilitation, restoration, financial or non-financial compensation and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition. In the context of the Preferred by Nature Certification, remediation activities refer to social issues. **Source**: *Accountability Framework definitions*

Responsible recruitment

Responsible recruitment covers issues related to the recruitment process, as follows: • Medicals shall only be mandated for after an offer of employment has been made and where it is relevant to the safety & health of the individual and those around him/her. • Pregnancy screening or testing is not used at any time before or after the jobseeker signs an employment agreement, except where required by law. • Recruitment-related information (including the details of working conditions, worker's legal rights, nature of work, wages and benefits, duration of the contract) and the employment contract shall be provided to a jobseeker in a language they understand. • Recruitment fees/costs shall not be charged to jobseekers, nor shall deposits for job placement services, from jobseekers, his/her employers, agents, or subagents.

- Recruitment of migrants shall include full transparency about terms, conditions and any employment costs, and the migrants shall be informed about the labour laws applicable in the place of work prior to granting their written consent.
- Only charges or deductions for room and board that are permitted or required by law and are consistent with market rates shall be applied and communicated to jobseekers prior to signing an employment contract. Employment contracts shall specify hours of work, including regular hours, requirements for overtime and days off, specify and comply with all legally required breaks, including breaks for prayer, and provide at least one day off every seven days. The Organisation shall provide reasonable opportunities for employment, training and other services to local communities, contractors and suppliers proportionate to the scale and intensity of its management activities.

Responsible remuneration

The process of managing workers' remuneration including: • Employers shall not engage in making personal loans to workers or jobseekers under circumstances where repayment terms could be defined as debt bondage or forced labour.

- Employees shall not be required to participate in any forced saving scheme unless required by law. Employers shall not avoid obligations to employees under labour or social security laws and regulations arising from the regular employment relationship using labour-only sub-contracting, home-working arrangements, or apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be purposefully avoided through the excessive use of fixed-term contracts of employment. Wage calculations shall be transparent, equitable and objective, including for remuneration based on production, quotas or piecework and overtime hours shall be specified separately.
- Recognition and promotion processes and practices shall be made based on worker performance, without discrimination and with the aim to provide equal opportunities for empowerment. Deductions from wages as a disciplinary measure shall be prohibited, nor shall any deductions be made from wages without the expressed permission of the worker concerned.
- All disciplinary remuneration measures shall be recorded.

Rights holder

Any person, group of persons or entity (typically Indigenous Peoples or other local communities) who holds customary or legal use rights in accordance with the UNDRIP (United Nations Declaration on the Rights of Indigenous Peoples) and national laws or traditions.



Scope

Defines the boundaries of the organisations' system in terms of models applied, products included, crops/species/commodities handled, claims covered, sites and production lines included.

Seal

In the context of the Preferred by Nature Certification, the Seal refers to the Preferred by Nature round visual hummingbird illustration (as depicted on the right). Various colour variations of the Seal are available, as detailed in the Preferred by Nature Seal Graphic Guidelines.





Segregation marking

This is using the Seal to easily identify certified non-final products in the supply chain. Segregation marking can be used internally inside the organisation for staff to easily recognise and distinguish certified products from others and business-to-business interactions to help the next buyer in the supply chain distinguish certified products. Segregation marking is not allowed and shall not be used on any final products or in ways where the segregation marking may reach or be visible to end users of the product.

Segregated model

A chain of custody model, in which all material in the chosen material category shall be segregated and kept physically separated from all other material throughout the entire supply chain.

Scope

The "Scope" of the chain of custody system is defined by the models applied, the products encompassed, the crops/species/commodities processed, the claims addressed, and the sites and members involved.

Site

Defined as a single geographical location with clear boundaries within which products can be handled, produced or processed.

Species

A group of living organisms consisting of similar individuals capable of exchanging genes or interbreeding. The species is the principal natural taxonomic unit, ranking below a genus. The common and (where applicable) the full scientific name is required for all species included within the scope of the management system.

Specified risk

A conclusion following a risk assessment that there is a risk that illegal or otherwise non-conforming products may enter the supply chain. In such cases, risk mitigation is required. **Note**: The term 'specified' can be considered to mean that the level of risk applied to the material shows cause for concern in relation to its conformance with the specific criterion after a full assessment is conducted.

Small undertaking

An Organisation that meets all the following size criteria: balance sheet total is under EUR 4 000 000; and net annual turnover is under EUR 8 000 000; and the average number of employees during the financial year is under 50. **Source**: The term is adopted from Article 3 of Directive 2013/34/EU of the European Parliament and the Council.

EUR-Lex - 32013L0034 - EN - EUR-Lex (europa.eu)

Small and medium-sized enterprises (SME)

Organisations employing less than 250 persons and having an annual turnover below 50 million EUR, or a balance sheet total of no more than 43 million EUR. **Source**: The term is adopted from Article 3 of Directive 2013/34/EU of the European Parliament and of the Council. <u>EUR-Lex - 32013L0034 - EN - EUR-Lex (europa.eu)</u>

Stakeholder

Any person, group of persons or entity that is or is likely to be subject to the effects of the activities of a Management Unit. Examples include but are not restricted to persons, groups of persons or entities. The following are examples of affected stakeholders: • Local communities; • Indigenous peoples; • Workers; • Neighbours; • Landowners; • Local processors; • Local businesses; • Tenure and use rights holders, including landowners; • Organisations authorised or known to act on behalf of affected stakeholders, for example, social and environmental NGOs, labour unions, etc.

Source: *FSC-STD-01-001 V5-2*

Substantiated complaint

A grievance or objection raised against an organisation regarding its certification, due diligence system or timber legality risk, which is accompanied by or is found to be established by proof or competent verifiable evidence.

Sub-supplier

Any entities further up the supply chain supplying material to the suppliers or other sub-suppliers.



Source

In the Preferred by Nature Certification context, the Source is a single clearly defined geographical area or region where raw material is harvested or collected. Sources may be defined at different levels, such as country, sub-national region (state, county, landscape), farm or forest management unit, plot of land or establishment (for animals).

Source preserved

Material which originates from a single defined Source.

Sub-contractor

An external entity involved in handling/processing products or material covered by the scope of the chain of custody system under an outsourcing agreement with the certified organisation.

Sustainability Scope Material

Material originating from or proportionate in volume to the sources conforming to all the Preferred by Nature Sustainability Framework requirements.

Supplier

A supplier is an entity or individual that provides goods, products, services, or raw materials to another organisation, individual, or entity, typically as part of a business transaction or contractual arrangement.

Supply chain

The route of products and entities that take legal ownership of the products from the source area – where the material is harvested or produced – to the organisation that takes final ownership of the material.

System

Combination of necessary defined processes, instructions, procedures (where used), software, data, communications, etc., that works towards meeting the Sustainability Framework and other applicable normative documents.

Т

Threatened species

Species that meet the International Union for Conservation of Nature's (IUCN) (2001) criteria for Vulnerable (VU), Endangered (EN) or Critically Endangered (CR), and are facing a high, very high or extremely high risk of extinction in the wild. **Source**: Based on IUCN. (2001). IUCN Red List Categories and Criteria: Version 3.1. IUCN Species Survival Commission. IUCN. Gland, Switzerland and Cambridge, UK

Top Management

A person or group of people who directs and controls the organisation at the highest level. In the context of this Standard, top management shall have control over all sites, entities and *outsourced* operations included in the scope.

Traceability

The ability to trace the movement and handling of the product through the supply chain from one point to another. Full traceability of a product enables tracing the movement of a product from the point of harvest, rearing or slaughter (plot of land or establishment) through all stages of production and processing up to the distribution of the final product to consumers.

Traceable material

Material or products associated with information about their history, application or location. The level at which the material or product is traceable may vary from a less detailed level (information on the product category and supply chain entities) to a more granular level (individual product identification with visibility on each event and transaction related to this product).

Transactions database

A database allowing volume reconciliations between material sold by one organisation and purchased by the following organisation in the supply chain. These can, for example, be databases handled by certification schemes, internal



databases for vertically integrated companies or databases provided by third parties. A database is typically digital but may also be developed on paper in some cases.



Upstream

In supply chain context, "upstream" refers to the early stages of the production or distribution process, which includes activities such as raw material sourcing, manufacturing and initial distribution to wholesalers or retailers. It represents the stages that occur before a product or service reaches the end customer. Activities upstream have a significant impact on the quality, cost and availability of products downstream in the supply chain.



Waste

Waste means any substance or object the holder discards, intends, or is required to discard. In the context of the Preferred by Nature Certification, waste may encompass a range of different materials. **Source**: *EU Waste Framework Directive*. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L0851&from=EN

Worker, migrant

A person who migrates from one country to another with a view to being employed otherwise than on his own account and includes any person regularly admitted as a migrant for employment.

Source: ILO Migration for Employment Convention (Revised), 1949 (No. 97).

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::p12100 instrument id:312242

Worker, permanent

Permanent workers work for an employer and do not have a predetermined end date for employment. The definition of a permanent worker may include different types of employment, covering any person who works on a farm, forest or for a group administrator and is paid for his or her work. In terms of the requirements of the Sustainability Framework, permanent workers can encompass different types of workers, including documented, undocumented, migrant, workers of sub-contractors and outsourced workers, as well as persons temporarily absent from a job or enterprise at which they recently worked for illness, parental leave, holiday, training or industrial dispute.

Worker, seasonal

A seasonal worker is a worker who is under a form of temporary employment linked to specific periods of the year and sectors (for example, fruit pickers in the agricultural sector). Seasonal workers may also encompass different types of workers, as is the case with permanent workers.

Water bodies

Water bodies include, but are not limited to, water courses, rivers, streams, lagoons, springs, lakes, reservoirs and ditches.



Young worker

Any worker under the age of 18 but over the age of a child (15). Source: Social Accountability Standard 8000- 2014



Annex A. Preferred by Nature's list of prohibited chemicals

CAS No.	Active ingredient	Со	nvent	ions	Δ	cute	toxicit	. y		uta- nicity	duc	pro- tive icity		cino- icity
		1. Stockholm Annex A and B	2.Montreal, Ozone Depleting	3. Rotterdam, Annex 3	4. WHO Ia	4. WHO Ib	H330 "Fatal if inhaled"	See the note below the table	5. EU GHS Muta 1	5. Japan GHS Muta 1	5. EU GHS Repr 1	5. Japan GHS Repr 1	5. EU GHS Carc 1	5. JP GHS Carc 1
71751-41-2	Abamectin					Υ	Υ							
34256-82-1	Acetochlor			Υ				CRC						Υ
107-02-8	Acrolein					Υ	Υ							
15972-60-8	Alachlor			Υ										
116-06-3	Aldicarb			Υ	Υ		Υ							
319-84-6	Alpha-BHC; Alpha-HCH	Υ												
96-24-2	Alpha-chlorohydrin					Υ						Υ		
61-82-5	Amitrole										Υ			
90640-80-5	Anthracene oil												Υ	
84-65-1	Anthraquinone										Υ			
	Arsen and its compounds													
68049-83-2	Azafenidin										Y			
2642-71-9	Azinphos-ethyl					Υ								
86-50-0	Azinphos-methyl			Υ		Υ	Υ							
17804-35-2	Benomyl			Υ				F	Υ	Υ	Υ	Υ		
68359-37-5	Beta-cyfluthrin; Cyfluthrin					Υ	Υ							
319-85-7	Beta-HCH; Beta-BCH	Υ												
28434-01-7	Bioresmethrin										Υ	Υ		
28434-01-7	Bioresmethrin											Υ		
92-52-4	Biphenyl, Diphenyl													Υ
2079-00-7	Blasticidin-S					Υ								



CAS No.	Active ingredient	Co	nventi	ions	Α	cute 1	toxicit	ty		ıta- icity	duc	oro- tive icity	Card	ino- icity
	Borax; Borate salts										Υ	Υ		
10043-35-3	Boric acid										Y	Υ		
56073-10-0	Brodifacoum				Υ		Υ				Υ			
28772-56-7	Bromadiolone				Υ		Υ				Υ			
63333-35-7	Bromethalin				Υ									
1689-84-5	Bromoxynil					ı	Υ				Υ			
56634-95-8	Bromoxynil heptanoate					ı					Υ			
1689-99-2	Bromoxynil octanoate										Υ			
34681-10-2	Butocarboxim					Υ								
34681-23-7	Butoxycarboxim					Υ								
95465-99-9	Cadusafos					Υ								
592-01-8	Calcium cyanide				Υ									
2425-06-1	Captafol			Υ	Υ					Υ			Υ	Υ
63-25-2	Carbaryl													Υ
10605-21-7	Carbendazim								Υ	Υ	Υ	Υ		
16118-49-3	Carbetamide					ı					Υ			
1563-66-2	Carbofuran			Υ		Υ	Υ	F						
55285-14-8	Carbosulfan			Υ			Υ	CRC						
57-74-9	Chlordane	Υ		Υ		ı								
54593-83-8	Chlorethoxyphos				Υ	ı								
470-90-6	Chlorfenvinphos					Υ								
24934-91-6	Chlormephos				Υ									
3691-35-8	Chlorophacinone				Υ		Υ				Υ	Υ		
1897-45-6	Chlorothalonil					ı	Υ							
2921-88-2	Chlorpyrifos	Υ						CRC			Υ			
5598-13-0	Chlorpyrifos-methyl													
67-97-0	Cholecalciferol										Υ	Υ		
56-72-4	Coumaphos					Υ								
5836-29-3	Coumatetralyl					Υ	Υ				Υ			
8001-58-9	Creosote											Υ	Υ	Υ



CAS No.	Active ingredient	Со	nventi	ons	Α	cute 1	toxicit	у		ita- icity	duc	oro- tive icity		cino- icity
560121-52-0	Cyenopyrafen								·					Υ
94361-06-5	Cyproconazole										Υ			
50-29-3	DDT	Υ		Υ						Υ		Υ		Υ
919-86-8	Demeton-S-methyl					Υ			ı					
333-41-5	Diazinon										Υ			Υ
120-36-5	Dichlorprop										Υ	Υ		
62-73-7	Dichlorvos; DDVP					Υ	Υ		ı					
141-66-2	Dicrotophos					Υ								
56073-07-5	Difenacoum				Υ		Υ				Υ			
104653-34-1	Difethialone				Υ		Υ				Υ			
110488-70-5	Dimethomorph										Υ			
39300-45-3	Dinocap										Υ			
1420-07-1	Dinoterb					Υ					Υ			
82-66-6	Diphacinone				Υ									
298-04-4	Disulfoton				Υ									
	DNOC and its salts			Υ			Υ			Υ				
17109-49-8	Edifenphos					Υ								
115-29-7	Endosulfan	Υ		Υ			Υ							
297-99-4	E-Phosphamidon				Υ									
106-89-8	Epichlorohydrin												Υ	Υ
2104-64-5	EPN				Υ									
133855-98-8	Epoxiconazole										Υ			
29973-13-5	Ethiofencarb					Υ								
13194-48-4	Ethoprophos; Ethoprop				Υ		Υ							Υ
106-93-4	Ethylene dibromide 1,2-dibromoethane			Y									Y	Y
107-06-2	Ethylene dichloride 1,2-Dichloroethane			Υ										Y
75-21-8	Ethylene oxide			Υ					Υ	Υ	Υ	Υ	Υ	Υ
96-45-7	Ethylene thiourea										Υ	Υ		
52-85-7	Famphur					Υ								
22224-92-6	Fenamiphos					Υ	Υ							



CAS No.	Active ingredient	Coi	nventi	ons	A	cute 1	toxicit	ty	Mu gen	ita- icity	duc	oro- tive city	Card	ino- icity
103112-35-2	Fenchlorazole-ethyl												Y	
55-38-9	Fenthion			Υ				CRC; F						
90035-08-8	Flocoumafen				Υ		Υ				Υ			
69806-50-4	Fluazifop-butyl										Υ			
79622-59-6	Fluazinam						Υ				Υ			
70124-77-5	Flucythrinate					Υ								
640-19-7	Fluoroacetamide			Υ		Υ								
85509-19-9	Flusilazole										Υ			
50-00-0	Formaldehyde													Υ
22259-30-9	Formetanate					Υ	Υ							
98886-44-3	Fosthiazate											Υ		
65907-30-4	Furathiocarb					Υ	Υ							
77182-82-2	Glufosinate-ammonium										Υ			
100784-20-1	Halosulfuron-methyl										Υ			
23560-59-0	Heptenophos					Υ								
118-74-1	Hexachlorobenzene	Υ		Υ	Υ							Υ	Υ	
608-73-1	Hexchlorocyclohexane BHC mixed isomers			Y										
57520-17-9	Iminoctadine triacetate										Υ			
36734-19-7	Iprodione													
18854-01-8	Isoxathion					Υ								
58-89-9	Lindane	Υ		Υ								Υ		Υ
330-55-2	Linuron										Υ			
121-75-5	Malathion													Υ
8018-01-7	Mancozeb										Υ			
12427-38-2	Maneb											Υ		
2595-54-2	Mecarbam					Υ								
131-72-6	Meptyldinocap										Υ	Υ		
	Mercury and its compounds			Υ			Υ							
10265-92-6	Methamidophos			Υ		Υ	Υ							
950-37-8	Methidathion					Υ								



CAS No.	Active ingredient	Co	nventi	ions	Α	cute 1	toxicit	.y	ita- icity	duc	oro- tive icity		cino- icity
2032-65-7	Methiocarb					Υ							
16752-77-5	Methomyl					Υ							
72-43-5	Methoxychlor	Υ						CRC					
74-83-9	Methyl bromide		Υ										
7786-34-7	Mevinphos				Υ	ı	i.						
2212-67-1	Molinate									Υ			
6923-22-4	Monocrotophos			Υ		Υ	Υ						
54-11-5	Nicotine					Υ	Υ						
98-95-3	Nitrobenzene									Υ	Υ		
1113-02-6	Omethoate					Υ							
23135-22-0	Oxamyl				Υ		Υ						
301-12-2	Oxydemeton-methyl					Υ							
	Paraffin oils; mineral oils												
1910-42-5	Paraquat dichloride			Υ			Υ	CRC; F					
56-38-2	Parathion			Υ		Υ	Υ						
298-00-0	Parathion-methyl			Υ		Υ	Υ	F					
87-86-5	PCP; Pentachlorphenol	Υ		Υ		Υ	Υ			Υ	Υ	Υ	Υ
298-02-2	Phorate			Υ		Υ							
13171-21-6	Phosphamidon			Υ		Υ	ı						
32809-16-8	Procymidone					ı				Υ			
31218-83-4	Propetamphos					Υ							
60207-90-1	Propiconazole									Υ			
12071-83-9	Propineb												Υ
114-26-1	Propoxur								Υ				
75-56-9	Propylene oxide; Oxirane											Υ	
148-24-3	Quinolin-8-ol; 8- hydroxyquinoline									Υ	Υ		
105024-66-6	Silafluofen									Υ			
143-33-9	Sodium cyanide					Υ							
62-74-8	Sodium fluoroacetate (1080)					Υ	Υ						



CAS No.	Active ingredient	Co	nventi	ons	Α	cute 1	toxicit	у		ita- icity	duc	oro- tive icity	Card	cino- icity
148477-71-8	Spirodiclofen										Υ			Υ
57-24-9	Strychnine					Υ								
4151-50-2	Sulfluramid			Υ										
3689-24-5	Sulfotep					Υ	l.							
1314-84-7	Zinc phosphide					Υ	i.							
137-30-4	Ziram						Υ			Υ				
23783-98-4	Z-Phosphamidon			Υ	Υ		i.	F						
96182-53-5	Tebupirimifos					Υ								
111988-49-9	Thiacloprid										Υ	Υ		
79538-32-2	Tefluthrin					Υ	Υ							
13071-79-9	Terbufos					Υ								
148-79-8	Thiabendazole										Υ	Υ		
39196-18-4	Thiofanox					Υ								
640-15-3	Thiometon					Υ								
137-26-8	Thiram			Υ			Υ	F	Υ	Υ				
52-68-6	Trichlorfon			Υ						Υ		Υ		
55219-65-3	Triadimenol										Υ			
24017-47-8	Triazophos					Υ								
	Tributyltin compounds			Υ										
81412-43-3	Tridemorph										Υ			
68694-11-1	Triflumizole										Υ			
2275-23-2	Vamidothion					Υ								
81-81-2	Warfarin					Υ	Υ				Υ	Υ		
50471-44-8	Vinclozolin										Υ	Υ		

F: Annex III of the Rotterdam Convention includes certain specific formulations.

CRC: Agreed by the Chemical Review Committee and the Conference of the Parties that the chemical meets the criteria of the Convention but yet not formally listed because of COP voting.

FAO HHP = 1 = Pesticides in Annexes of PIC & POP Convention AND/OR Carc 1A/B; Repr. 1A/B, Muta. 1A/B according to GHS.

FAO HHP 2 = Recommended for PIC & POP Convention and/or active ingredients (not formulations) classified as WHO Ia/Ib.



Annex B. Definitions related to forest and ecosystems degradation and conversion

This Annex includes all definitions of *forests* related to the Preferred by Nature Cartification and refers to their relation with other land-use types to clarify the definition of *conversion* and *degradation*. The definition of *forest* uses the following subdivision and is based on the FAO terms and definitions.

In the table below, *primary forest* has been separated from *naturally regenerating forests* as this is a specific category of *natural forest* referred to in the EU Deforestation Regulation.

Also, we use the term *natural forest* as a category, including *naturally regenerating forest*, to be able to differentiate between *primary forest* (as used in the EU Deforestation Regulation) and *naturally regenerating forest*.

The following tables illustrate the definitions and their connections to each other.

STRUCTURE OF DEFINITIONS

- Green = Forest
- Grey = Non Forest
- Red = what is strictly considered agriculture within each

Preferred by Nature Certification

	Natural forest	Primary forest						
Fower	Natural forest	Naturally regenerating forest						
Forest	Planted forest	Plantation forest						
	Fianteu Torest	Other planted forest						
	Other wooded land							
			Agricultural crops					
			Palms (oil, coconut, dates, etc.)					
		Agricultural land	Tree orchards (fruit, nuts, olive, etc.)					
Non-forest	Other non-wooded land	ianu	Agroforestry					
			Trees in urban settings					
			Meadows or pasture for livestock and other animals					
		Other natural ed	cosystems					
		Other land						



EUDR definitions

		Duine am a fearach
	Natural forest	Primary forest
Forest		Naturally regenerating forest
101630	Diameter of General	Plantation forest
	Planted forest	Other planted forest
Other wooded land		
(5 to 10% canopy	Other wooded land	
cover)		
Urban land use	Urban land use	
(trees in urban	Orbair latid use	
settings)		
	Agriculture	
		Tree orchards
Agricultural use (use of land for		(land with tree stands in agricultural production systems, such as fruit tree plantations, oil palm plantations, olive orchards)
the purpose of agriculture, including	Agricultural plantations	Agroforestry systems
for agricultural	(land with tree stands in agricultural production systems)	(where crops are grown under tree cover
plantations and	in agricultural production systems)	- including Agrisilvicultural, Silvipastoral
set-aside agricultural		and Agrosilvopastoral systems)
areas and for rearing livestock)		All plantations of relevant commodities other than wood
	Set-aside agricultural areas	
	Rearing livestock	
Other natural ecosystems	Other natural ecosystems	

Forest Resources Assessment (FRA 2020) - terms and definitions

	Natural forest	Primary forest							
	ivaturar rorest	Naturally regenerating forest							
Forest	Planted forest	Plantation forest							
(10% + canopy cover)	rianteu lorest	Other planted forest							
	Bamboo								
	Mangroves								
Other wooded land		Other wooded land							
(5 to 10% canopy cover)	Other wooded land	Mangroves							
	Agricultural land								
		Palms							
Other land	Other land with tree cover	Tree orchards							
	(10%+ canopy cover)	Agroforestry systems							
		Trees in urban settings							



Forest and wooded-land definitions are derived from the EU Deforestation Regulation: <u>EU Deforestation</u> <u>Regulation (EU) 2023/1115</u> and from the FAO definitions: <u>FAO FRA 2020</u>.

Forests

Forest includes all the following sub-categories:

	Natural forest	Primary forest
Forest	Natural forest	Naturally regenerating forest
rorest	Dianted forest	Plantation forest
	Planted forest	Other planted forest

Land spanning more than 0.5 hectares with trees higher than 5 metres and a canopy cover of more than 10 per cent or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use. **Source**: *EU Deforestation Regulation (EU) 2023/1115*

Natural forests

Natural forest is defined as including both primary forest and naturally regenerating forest.

Primary forest

Naturally regenerated forest of native tree species, where there are no clearly visible indications of human activities and the ecological processes are not significantly disturbed. **Explanatory notes:** • It includes both pristine and managed forests that meet the definition. • It includes forests where Indigenous Peoples engage in traditional forest stewardship activities that meet the definition. • It includes forest with visible signs of abiotic damages (such as storm, snow, drought, fire) and biotic damages (such as insects, pests and diseases). • It excludes forests where hunting, poaching, trapping or gathering have caused significant native species loss or disturbance to ecological processes. • Some key characteristics of primary forests are: • They show natural forest dynamics, such as natural tree species composition, the occurrence of dead wood, natural age structure and natural regeneration processes. • The area is large enough to maintain its natural ecological processes. • There has been no known significant human intervention, or the last significant human intervention was long enough ago to have allowed the natural species composition and processes to have become re-established.

Source: <u>EU Deforestation Regulation (EU) 2023/1115</u> and <u>FAO FRA 2020</u>

Naturally regenerating forest

Forest predominantly composed of trees established through natural regeneration. Explanatory notes: • It includes forests for which it is not possible to distinguish whether planted or naturally regenerated. • It includes forests with a mix of naturally regenerated native tree species and planted/seeded trees, and where the naturally regenerated trees are expected to constitute the major part of the growing stock at stand maturity. • It includes coppice from trees originally established through natural regeneration. • It includes naturally regenerated trees of introduced species.

Source: EU Deforestation Regulation (EU) 2023/1115

Planted forests

Plantation forest

A planted forest that is intensively managed and meets, at planting and stand maturity, all the following criteria: one or two species, even age class, and regular spacing; it **includes** short rotation plantations for wood, fibre and energy and **excludes** forests planted for protection or ecosystem restoration, as well as forests established through planting or seeding, which at stand maturity resemble or will resemble naturally regenerating forests.

Source: EU Deforestation Regulation (EU) 2023/1115

Planted forest

A category including *plantation forest* and *other planted forest*. Forest predominantly composed of trees established through planting and/or deliberate seeding provided that the planted or seeded trees are expected to constitute more than 50 % of the growing stock at maturity; it includes coppice from trees that were originally planted or seeded.

Source: EU Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020



Other planted forest

Planted forest which is not classified as Plantation forest. Source: FAO FRA 2020

NON-FOREST land types

The table below illustrates the hierarchy of non-forest land categories.

Non-forest	Other wooded land	Other wooded land
	Other non-wooded land	Other natural ecosystems
		Other land
		Agricultural land

Other wooded land

Land not classified as *forest*, spanning more than 0.5 hectares, with trees higher than 5 metres and a canopy cover of 5-10 per cent, or trees able to reach these thresholds in situ or with a combined cover of shrubs, bushes and trees above 10 per cent. It does not include land that is predominantly under agricultural or urban land use. **Explanatory notes**: The definition above has two options: • The canopy cover of trees is between 5 and 10 per cent; trees should be higher than 5 metres or able to reach 5 metres in situ; or • The canopy cover of trees is less than 5 per cent, but the combined cover of shrubs, bushes and trees is more than 10 per cent. It includes areas of shrubs and bushes where no trees are present; • It includes areas with trees that will not reach a height of 5 metres in situ and with a canopy cover of 10 per cent or more, e.g. some alpine tree vegetation types, arid zone mangroves etc. **Source**: <u>EU Deforestation Regulation (EU) 2023/1115</u> and FAO FRA 2020

Other non-wooded land

Other natural ecosystems

Natural ecosystems other than forests that substantially resemble, in terms of species composition, structure, and ecological function - ones that are or would be found in a given area in the absence of major human impacts. These include human-managed ecosystems where much of the natural species composition, structure and ecological function are present. Explanatory notes: • These include largely "pristine" natural ecosystems that have not been subject to major human impacts in recent history. • These include regenerated natural ecosystems that were subject to major impacts in the past (for instance, by agriculture, livestock raising, tree plantations or intensive logging) but where the main causes of impact have ceased or greatly diminished and the ecosystem has attained species composition, structure and ecological function similar to prior or other contemporary natural ecosystems. • These include managed natural ecosystems (including many ecosystems that could be referred to as "semi-natural") where much of the ecosystem's composition, structure and ecological function are present. These include managed natural forests and native grasslands or rangelands that are, or have historically been, grazed by livestock. • These include natural ecosystems that have been partially degraded by anthropogenic or natural causes (e.g. harvesting, fire, climate change, invasive species or others) but where the land has not been converted to another use and where much of the ecosystem's composition, structure and ecological function remain present or are expected to regenerate naturally, or by management for ecological restoration.

Source: Accountability Framework definitions

Other land

Land that is not classified as agricultural land, forest, other wooded land or other natural ecosystems. Other land may or may not have trees on them. Explanatory notes: • Land use is the key criterion for distinguishing between forest and other land with or without tree cover. • It includes built-up areas, mining, barren land, land under permanent ice, etc. • It includes groups of trees and scattered trees (e.g. trees outside forest) in agricultural landscapes, parks, gardens and around buildings. • It includes tree stands in agricultural production systems, such as fruit tree plantations/orchards.
• It includes agroforestry systems where crops are grown under tree cover and tree plantations established mainly for purposes other than wood, such as oil palm plantations.



Agricultural land

Land that is not classified as *forest*, *other wooded land*, *other natural ecosystems* or *other land*. Explanatory notes: • Land used for the production of agricultural crops, including palms (oil, coconut, dates, etc.), tree orchards (fruit, nuts, olive, etc.), agroforestry and trees in urban settings. • Land used for meadows or pasture for livestock and other animals.

Non-forest	Other wooded land	Other wooded land
	Other non-wooded land	Other natural ecosystems
		Other land
		Agricultural land

Agricultural plantation

Land with tree stands in agricultural production systems, such as fruit tree plantations, oil palm plantations, olive orchards and agroforestry systems where crops are grown under tree cover; it includes all plantations of relevant commodities other than wood; agricultural plantations are excluded from the definition of 'forest'. **Source**: <u>EU Deforestation Regulation (EU)</u> 2023/1115

Agricultural use

The use of land for the purpose of agriculture, including for agricultural plantations and set-aside agricultural areas, and for rearing livestock **Source**: <u>EU Deforestation Regulation (EU) 2023/1115</u>

Agroforestry

Other Land with tree cover with temporary agricultural crops and/or pastures/animals. **Explanatory notes**: • Includes areas with bamboo and palms provided that land use, height and canopy cover criteria are met. • Includes Agrisilvicultural, Silvipastoral and Agrosilvopastoral systems. **Source**: <u>FAO FRA 2020</u>. **NOTE**: According to the <u>EU Deforestation Regulation</u> (<u>EU) 2023/1115</u>, Agroforestry systems are considered Agriculture and agricultural use.

Definitions of land cover change

Conversion

Conversion is defined as a change of a natural ecosystem (including forest and non-forest ecosystems) to another land use or severe degradation that results in a profound change in the ecosystem's species composition, structure or function.

Forest degradation

In the context of the EU Deforestation Regulation, forest degradation means structural changes to forest cover, taking the form of the conversion of primary forests or naturally regenerating forest into plantation forest or into other wooded land and the conversion of primary forest into planted forests. **Source**: EU Deforestation Regulation (EU) 2023/1115

Deforestation

In the EU Deforestation Regulation, deforestation is defined as the conversion of forest into agriculture, whether human-induced or not. Source: EU Deforestation Regulation (EU) 2023/1115. In the context of the Sustainability Framework, Preferred by Nature takes a slightly broader definition, including the conversion of natural forest into plantation or other wooded land or other land. In this definition, deforestation is the loss of natural forest as a result, whether human-induced or not, of: • Conversion to agriculture or other non-forest land use; • Conversion to a plantation forest or; • Severe and sustained degradation.

Deforestation-free (synonym: no-deforestation)

'Deforestation-free' means: (a) that the products contain, have been fed with or have been made using commodities that were produced on land that has not been subject to deforestation after 31 December 2020; and (b) in relation to products that contain or have been made using wood, that the wood has been harvested from the forest without inducing forest degradation after 31 December 2020. **Sources**: <u>EU Deforestation Regulation (EU) 2023/1115</u> and <u>Afi Definitions</u>





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 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.

www.preferredbynature.org

