



# Sustainability Framework

*-including generic conformance indicators for sustainability commitments*

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## Introduction

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

Inspired both by existing sustainability concepts and the need to harmonize, the Preferred by Nature Sustainability Framework has been revised to provide a single framework for defining and benchmarking sustainability, that can be used across different commodities and landscapes. The framework consists of 4 principles and 28 criteria addressing different aspects of what we believe shall be considered before claiming something is sustainable.

The Framework includes indication of which indicators are applicable to land-use operations (e.g. farms and forests) and which are relevant to processing and manufacturing entities. As such the framework can be used by any of these to implement sustainability commitments in their operations.

The framework indicators have been revised to capture the requirements for all scales of operations. Some of the indicators may not be feasible or applicable for small-scale operations. For practical implementation, the framework and its indicators will be adapted to the scale of the operations, the intensity of its activities and to the related risks.

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

As we benchmark the framework against existing schemes, our intention is to recognize the assurance that these already provide, rather than duplicate.

The global framework will be supplemented by risk assessments in our SourcingHub database, enabling to adapt it locally and focus on the issues which are central for each product and region. Sourcing organisations can use the framework to map and mitigate sustainability risks in supply chains, making sustainability commitments across any or all of the 29 criteria.

Organisations, who have been verified by Preferred by Nature to address all the Framework criteria, will be eligible to use our new Preferred by Nature Seal and make related on-product and business-to-business claims. Claims can be made related to specific products verified or the entire supply chains of an organisation, depending on the scope chosen by the organisation for implementation of its sustainability commitments.

### About Preferred by Nature

Preferred by Nature is an international, non-profit organisation founded in Denmark in 1994, working in over 100 countries with businesses, NGOs and governments to develop solutions to major global challenges such as deforestation and climate change.

#### Preferred by Nature's Mission

To support better land management and business practices that benefit people, nature and the climate.

#### Preferred by Nature's Vision

A world where human choices ensure a sustainable future.

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## The Sustainability Framework

Preferred by Nature's Sustainability Framework consists of four principles and 29 criteria. They have been revised to better support organisations and businesses to achieve their commitments as well as market and regulatory demands towards sustainability in land management, trade and processing of forest and agricultural commodities.



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

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

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

<b>Principles</b>	Fundamental sustainability elements that are considered globally relevant.
<b>Criteria</b>	Sustainability topics of global relevance to be considered under each principle.
<b>Indicators</b>	Quantitative or qualitative parameters that can be assessed in relation to a criterion.  For each indicator it is indicated if it is a Legal or Core requirement for land-use and for processing, respectively.

## What type of practices are promoted?

The Sustainability Framework is meant to be applied to **drive continuous improvement**. It is **flexible and open** to be used by companies who are at any step in their sustainability journey. It can help an organisation with commitments and policies that, when well-implemented, lead to:

- a. **Ensuring legal compliance (L)** – Legal compliance is a fundamental first step in achieving sustainability. Legal compliance means complying with applicable legislation related to the different aspects of the Sustainability Framework.
- b. **Meeting core sustainability requirements (C)** – Core sustainability requirements are requirements that are not necessarily included in legislation but are considered necessary to achieve responsible production, sourcing and processing of agricultural commodities and forest products.

## Application – Global principles, local adaptation

The Framework can be used as a basis for conformance verification on site, through development an adaptation of the framework relevant to the specific commodity and geographical region. The adaptation of the framework allows a flexible approach that adapts to issues relevant to specific commodities, as well as focusing on areas where there are potential risks.

In the Framework we have assigned the Legal and Core categories to both land-use practices and to processing /manufacturing. The framework thus contains two columns to the right that includes this indication, thus allowing the Framework to be used for sustainability commitment at all levels in the supply chain.

<b>Indicators applicable to <u>land-use</u></b>	Indicators containing the requirements relevant to land-use. This can be for forest or farm managers
<b>Indicators applicable to <u>processing</u></b>	Indicators containing the requirements relevant for processing facilities, manufacturers or traders to meet their sustainability commitments.

The generic conformance indicators contained in this document may be used as a stand-alone checklist of conformance – but may also be used to develop a commodity specific checklist after a national or commodity level risk assessment has been conducted – see figure 2.

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

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

**Companies at all levels in the supply chain** can use the Framework as a benchmark to identify and formulate the policies and commitments that they want to meet in their operations. The Principles and Criteria are generic, but the indicators in this document are intended for conformance evaluation.

## A risk based approach

The Sustainability Framework can be used with a risk-based approach. Its Principles and Criteria are generic, but a separate set of Risk Indicators will be applied to generate country- and commodity-specific risk assessments through the Preferred by Nature Sourcing Hub<sup>1</sup> see Figure 2, below.

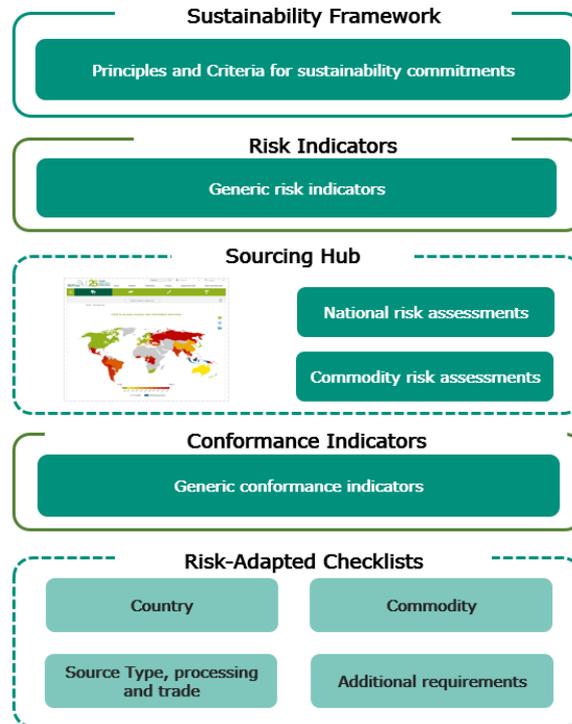


Figure 2: Illustration of the process of Framework adaptation through risk assessments, using the Sourcing Hub as the access point.

Depending on their location in the supply chain, organisations may use the Framework in different ways:

1. **Land managers** may use the Framework as a basis for setting commitments to attain legal and/or sustainable production and verify these commitments using the commodity-specific risk assessments and checklists.
2. **Processing, trading or lending organisations** may use the Framework to obtain a commodity-specific and/or country-specific risk assessment to implement their due diligence or responsible sourcing programme and ensure their commitments are met at the farm or forest level.

## Scope - What products and commodities are covered?

The Sustainability Framework can be applied to any forest or farm, or agricultural or forest supply chain, product, or commodity where its production, trade and/or harvest has an impact on nature, people and climate.

Examples include biomass, cocoa, cattle, soy, coffee, rice, rubber, tea, palm oil, timber, pulp, paper/packaging, tourism, herbs, fruits, spices, oilseeds, etc.

<sup>1</sup> <https://www.PreferredbyNature.org/sourcinghub>

## Moving from policy to practice

For commitments to create positive change, there is a need to clarify the commitments and set time-bound targets, as well as ensuring that commitments are being implemented in practice.

Preferred by Nature's Sustainability Framework supports organisations to put their commitments into practice – by providing indicators that allows them to demonstrate that they are meeting their commitments, providing a means to publicly communicate progress in meeting commitments, and doing so according to norms of good practice for credibility, rigour and independence.

## External verification of sustainability commitments

For organisations wishing to gain external recognition of their sustainability performance, Preferred by Nature can verify their conformance against the Sustainability Framework. Verification is tied to the sustainability commitment, so this means that an organisation can choose to become Preferred by Nature verified for their commitments such as to avoid child labour, eradicate modern slavery or achieve deforestation-free supply chains. They can choose to be verified against some or all of the sustainability commitments in the Sustainability Framework.

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

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

Organisations may choose to focus on specific commodities or specific supply chains in their work with the Sustainability Framework. They may also choose to apply the requirements to their entire operation or source base. The claims available will be adjusted to reflect the scope.

Organisations verified to meet all Legal and Core indicators of all the commitments in the Sustainability framework, may use the Preferred by Nature Seal and make off- and on-product related claims.

Organisations selecting to work with a limited number of sustainability issues (subset of the sustainability criteria), and verified to meet these selected criteria and indicators, may make claims about their achievements, but cannot use the Preferred by Nature seal.

Organisations that are working with Preferred by Nature on specific elements of their sustainability efforts or do not pursue verification, may communicate about such work and their progress. However, they may not make product-related claims or use the Preferred by Nature seal. Any communication in relation to the Sustainability Framework shall be limited to describing the nature and scope of the collaboration with Preferred by Nature. Preferred by Nature also reserves the right to communicate about companies with which it collaborates and supports – through the Preferred by Nature website and other communications channels such as social media and external newsletters.

## Related standards

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

- **SP-02 SF System Requirements:** this standard contains normative requirements for systems applied to ensure consistent implementation of the SF indicators for land management, processing, sourcing or trade.
- **SP-03 SF Supply chain management and due diligence requirements:** this standard contains requirements for companies sourcing commodities through a supply chain. The standard sets out obligations for organisations to manage their supply chains and to conduct a risk-based approach to sourcing and meeting sustainability commitments.
- **Terms & definitions:** Preferred by Nature have collected terms and definitions used in the Sustainability Framework in a single document. This document should be used as a reference to obtain details on specific use of terms and definitions.

## SUSTAINABILITY CONFORMANCE INDICATORS

Notes on revisions of Version 0.1	Conformance Indicators Version 1.1	Land-use category	Processing category
	<b>Principle 1: Management and business practices are responsible</b>		
	<b>Criterion 1.1 Land tenure and management rights are secure.</b> Land tenure and the right to operate shall be legal and ensure that FPIC is obtained where operations may affect Indigenous Peoples or local communities' rights and resources.		
Reworded	1.1.1 Land tenure rights shall be secure and registered according to legal requirements and include clear demarcation of legally gazetted boundaries.	L	N/A
Reworded	1.1.2 Land management rights, shall be in place and registered according to legal requirements.	L	N/A
Reworded	1.1.3 Legally required rights to operate shall be in place and registered according to legal requirements.	L	L
New	1.1.4 Land tenure and management rights shall be obtained through a process that ensures that Free Prior Informed Consent (FPIC) is secured before any activities are commenced that may affect Indigenous People's or local communities' lands, territories, and resources.	C	N/A
New	1.1.5 In case of ongoing land tenure or management right disputes these shall be managed through a documented and transparent process.	C	C

Reworded	<p><b>Criterion 1.2 Management and operations are conducted in a responsible manner.</b></p> <p>The management of businesses operations are conducted in a way that ensures legal compliance and adherence to fair management of contacts.</p>		
	1.2.1 Legal requirements related to disclosure of information shall be complied with.	L	L
	1.2.2 Legal requirements for planning shall be complied with.	L	L
	1.2.3 Legal requirements for management and operation shall be complied with	L	L
	1.2.4 Legal harvesting or production requirements shall be complied with.	L	N/A
New	1.2.5 Land-use planning shall be used in land acquisition, planning, site development and management.	C	N/A
New	1.2.6 Human rights , including workers’ rights, shall be identified and potential negative impacts as a result of business activities and business relationships shall be mitigated.	C	C
New	1.2.7 Where relevant, the security of environmental and human rights defenders, union representatives, whistle-blowers, complainants, and community spokespersons shall be protected, and their confidentiality and (when requested and lawful) their anonymity shall be respected.	C	C
	<p><b>Criterion 1.3 Taxes and fees are paid.</b></p> <p>All applicable taxes and fees have been paid in a timely manner and according to legal requirements.</p>		

	1.3.1 Legal requirements for payment of royalties, land/area taxes and fees shall be complied with.	L	L
	1.3.2 Legal requirements for payment of value-added taxes and/or other sales taxes shall be complied with.	L	L
	1.3.3 Legal requirements for payment of income and profit taxes shall be complied with.	L	L
	1.3.4 Legal requirements for payment of transport, trade and/or export taxes shall be complied with.	L	L
	1.3.5 Adequate financial transaction policies and procedures should be in place to ensure proper recording of all financial transactions, as well as to identify possible money laundering. No undisclosed or unrecorded account, fund or asset shall be established or maintained.	C	C
Reworded	<b>Criterion 1.4 Corruption and conflict of interest are effectively avoided.</b> Corruption, bribery and conflict of interests shall be effectively avoided.		
	1.4.1 Legal requirements relating to bribery, fraud and corruption shall be complied with.	L	L
Reworded	1.4.2 Payment of or accepting of bribes or other forms of corruption shall not take place.	C	C
Changed to C	1.4.3 Business integrity shall be ensured and include clear expectations relating to anti-bribery, anti-corruption, gifts and hospitality.	C	C
Changed to C	1.4.4 Corporate hospitality, including the exchange of gifts, shall be managed according to best practices, including that the hospitality: a) be for a legitimate business purpose, which may include developing business relationships; b) not include public officials from which a decision regarding any license, permit, authorisation or any other official act or decision is pending; c) be given in an open and transparent manner;	C	C

	d) and not include cash, loans or cash equivalents (such as gift certificates or vouchers). <sup>2</sup>		
Changed to C	1.4.5 Conflicts of interest shall be effectively controlled. a) All conflict of interests should be identified and declared. b) Any ownership or beneficial interest, in the Organisation, by a government official, representative of a political party or an Organisation employee should be declared.	C	C
Changed to C	1.4.6 Any political contributions and campaign expenditures shall be publicly disclosed.	C	C
	<b>Criterion 1.5 Trade and transport are conducted legally and responsibly.</b> Trade and transport of material and products shall be conducted according to legal requirements.		
	1.5.1 Legal requirements relating to trade and transport of products shall be complied with.	L	L
	1.5.2 Legal requirements relating to the classification of products for trade and transport shall be complied with.	L	L
	1.5.3 Legal requirements relating to export and/or import shall be complied with.	L	L
	1.5.4 Legal requirements relating to offshore trading and transfer pricing shall be complied with.	L	L
	1.5.5 Legal requirements relating to the trade of CITES species shall be complied with.	L	L
	1.5.6 Legal requirements relating to due diligence or due care shall be complied with.	L	L

<sup>2</sup> Transparency International, Business Principles for Countering Bribery produced by Transparency International; OECD, 2009. International Chamber of Commerce anti-corruption guide for SMEs. "Good practice guidance on internal controls, ethics, and compliance" of "Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions" 26 November 2009.

New	1.5.7 Agreed payments shall be made in a timely manner and receipts specifying price, quantity/volume/weight, qualities, deductions and amount paid are given <sup>3</sup>	C	C
New	1.5.8 Contracts with suppliers and/or buyers shall have clear terms, be fair, legal and transparent and have an agreed timeframe and not changed or cancelled unilaterally.	C	C
	<b>Principle 2: Peoples' well-being and human rights are respected</b>		
Reworded	<b>Criterion 2.1 Child labour<sup>4</sup> shall not be present and employment of young workers is responsibly managed.</b>  Child labour shall be eliminated, and children are protected. Where young workers are employed, their employment shall follow best practices.		
Reworded and moved	2.1.1 Child labour (as defined in the footnote) shall not be used or supported in any way. <sup>5</sup>	C	C
	2.1.2 Legal requirements related to child labour and employment of young workers shall be complied with.	L	L
Reworded	2.1.3 Children under the age of 15 (or under the age for completion of compulsory education, whichever is higher) shall not be employed, except within the framework of "Family Farm <sup>6</sup> " work or where covered by national legislation in accordance with Article 7 of the ILO Minimum Age Convention <sup>7</sup> .	C	C

<sup>3</sup> See for possible delays: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019L0633&from=EN>

<sup>4</sup> The term "child labour" is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. See Preferred by Nature's Terms & Definitions for more details.

<sup>5</sup> ILO [Worst Forms of Child Labour Convention](#), 1999 (No. 182)

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

<sup>7</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ilo\\_code:C138](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ilo_code:C138)

New	2.1.4 Where the young workers <sup>8</sup> are employed, the following shall be met: <ul style="list-style-type: none"> <li>• Young workers shall only work outside of compulsory school hours.</li> <li>• Young workers shall not work more than 8 hours a day.</li> <li>• Young workers shall not work during night hours.</li> </ul>	C	C
New	2.1.5 Children or young workers shall not be exposed to any situations that are hazardous or unsafe to their physical and mental health and development	C	C
Reworded	<b>Criterion 2.2 Modern slavery<sup>9</sup>, forced or compulsory labour do not occur.</b> No form of forced labour or modern slavery occurs.		
Reworded	2.2.1 No form of modern slavery <sup>10</sup> , forced labour or compulsory labour shall take place	C	C
New	2.2.2 No part of workers salary, benefits, property or documents shall be withheld.	C	C
	2.2.3 Legal requirements related to modern slavery, including forced labour and prison labour, shall be complied with.	L	L
New	2.2.4 Workers shall have the right to leave the workplace after completing their workday and be free to terminate their employment provided that they give reasonable notice to their employer.	C	C
New	2.2.5 No form of human trafficking shall take place or be supported.	C	C

<sup>8</sup> See definition in "preferred by Nature Sustainability Framework terms & Definitions.

<sup>9</sup> ILO [Forced Labour Convention](#), 1930 (No. 29); [ILO Abolition of Forced Labour Convention](#), 1957 (No. 105); [Modern Slavery Act UK](#).

<sup>10</sup> See definition in "preferred by Nature Sustainability Framework terms & Definitions.

	<p><b>Criterion 2.3 Workers' rights are respected.</b></p> <p>The rights of workers are respected, including the International Labour Organization (ILO) eight fundamental Conventions.</p>		
	2.3.1 Legal requirements related to Freedom of Association, Rights to Organise and Collective Bargaining <sup>11</sup> shall be complied with.	L	L
	2.3.2 Freedom of Association, the Right to Organise <sup>12</sup> and the Right to Collective Bargaining shall be respected.	C	C
	2.3.3 Legal requirements related to working hours, overtime, rest time and time off, shall be complied with.	L	L
	2.3.4 Regular working hours of all workers shall not exceed 48 hours per week, with at least one full day of rest for every six consecutive days worked. <sup>13 14</sup>	C	C
New	2.3.5 Workers shall receive one meal period break for every six hours worked.	C	C
	2.3.6 Overtime shall be voluntary and shall not result in a work week exceeding 60 total hours, except under circumstances of shorter duration <sup>15</sup> where additional labour is required.	C	C
	2.3.7 Workers shall be treated respectfully and never subjected to sexual abuse or harassment, or verbal, physical or psychological mistreatment.	C	C

<sup>11</sup> ILO [Right to Organise and Collective Bargaining Convention](#), 1949 (No. 98).

<sup>12</sup> ILO [Freedom of Association and Protection of the Right to Organise Convention](#), 1948 (No. 87).

<sup>13</sup> SAN Standard, 2017. <https://www.sustainableagriculture.eco/blog/2017/11/9/is-saving-water-enough-5tss3>

<sup>14</sup> ILO, C001 - Hours of Work (Industry) Convention, 1919 (No. 1)

<sup>15</sup> A shorter duration here is considered to refer to a few weeks e.g. in a harvest season requires workers to work overtime.

	2.3.8 The privacy rights of employees shall fully respected, including, but not limited to, whenever an employer gathers private information or implements employee-monitoring practices. <sup>16</sup>	C	C
Moved here from C9	2.3.9 Legal requirements related to recruitment and employment shall be complied with.	L	L
New	2.3.10 Employment conditions of workers, including wages, bonuses, work hours, overtime, vacation, and others, shall be documented and available to workers prior to employment.	C	C
New	2.3.11 Social responsibilities shall not be avoided, by hiring permanent, long-time, full time workers under seasonal or temporary contracts.	C	c
Moved here from C9	2.3.12 A confidential and effective grievance mechanism shall be available for workers.	C	C
	<b>Criterion 2.4 Discrimination<sup>17</sup> is not occurring.</b> There shall be no discrimination related to employment or occupation.		
New	2.4.1 There shall be no discrimination in hiring, remuneration, access to training, promotion, termination or retirement 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. <sup>18</sup>	C	C
New	2.4.2 There shall be no interference with workers' rights to observe tenets or practices or to meet needs relating to race, national or social origin, religion, disability, gender, sexual orientation, family responsibilities, union membership, political opinions or any other condition.	C	C

<sup>16</sup> [Accountability Framework](#), Core Principles, 2

<sup>17</sup> ILO [Discrimination \(Employment and Occupation\) Convention](#), 1958 (No. 111).

<sup>18</sup> Discrimination (Employment and Occupation) Convention, 1958 (No. 111).  
[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C111](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C111)

Reworded	<p><b>Criterion 2.5 All workers are remunerated in a responsible<sup>19</sup> manner</b></p> <p>All workers, permanent staff as well as contractors shall be remunerated according to legal requirements and respect worker’s right to a decent standard of living.</p>		
	2.5.1 Legal requirements related to wages and other payments shall be complied with.	L	L
Reworded	2.5.2 The remuneration received for a standard workweek by a worker in a particular place shall be sufficient to afford a decent standard of living <sup>20</sup> for the worker and her or his family. <sup>21</sup>	C	C
New	2.5.3 Payment shall be made directly to all to all workers to ensure they safely receive and retain their wages.	C	C
New	2.5.4 Wages and benefits of workers shall be detailed clearly and regularly to them in writing for each pay period.	C	C
	<p><b>Criterion 2.6 Workplaces are safe and healthy. <sup>22</sup></b></p> <p>The workplace shall be safe and healthy, and the employer shall ensure that workers have access to and use appropriate Personal Protective Equipment, commensurate with the activities undertaken.</p>		
	2.6.1 Legal requirements related to workplace health and safety shall be complied with.	L	L
	2.6.2 Equipment and utilities shall be equipped with machine guards and emergency stops and undergo routine preventive maintenance.	C	C

<sup>19</sup> OECD [Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#).

<sup>20</sup> 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.

<sup>21</sup> ILO, [International Labour Organization and the Living Wage: A Historical Perspective](#), 2017

<sup>22</sup> WHO, [Healthy workplaces: a model for action](#), 2010.

"ambient" deleted Reworded	2.6.3 The workplace shall be hygienic with adequate lighting, temperature, ventilation, sanitation, potable drinking water, sanitary facilities, as well as facilities for having break, and store food.	C	C
Reworded	2.6.4 Workers shall show competence related to relevant health and safety issues and receive appropriate and recorded safety and health training in relevant issues prior to starting work and on a regular basis thereafter. Competence and training shall include the awareness of the risks and working procedures related to the task, adequate usage of work-related tools, machines, stations, and Personal Protective Equipment.	C	C
	2.6.5 Personal Protective Equipment (PPE) and tools, shall be available to and used by workers, be in good condition, and appropriate for the purpose.	C	C
Reworded	2.6.6 Workers handling chemicals shall have relevant competencies in chemical handling, as well as have access to appropriate clean facilities for cleaning, washing and breaks.	C	C
New	2.6.7 Workplace risks to expectant and nursing mothers shall be assessed and risks shall be mitigated or reduce risks to their health and safety.	C	C
New	2.6.8 Emergency exits, fire detection and suppression equipment shall be in place and in working order and workers shall be competent to handle equipment and navigate exits in case of emergencies.	C	C
	2.6.9 Workers shall have access to appropriate first-aid equipment, as well as medical services in case of emergencies.	C	C
	<b>Criterion 2.7 Employer-provided housing is safe and hygienic.</b> Where housing is provided to by the employer to workers, it shall be in a safe and hygienic condition.		
	2.7.1 Legal requirements related to housing of workers shall be complied with.	L	L

	2.7.2 Housing shall be offered to workers if no affordable or safe accommodation is otherwise available, especially in remote locations where commuting is not a viable option or where workers are expected to stay within the premises for extended period of time.	C	C
	2.7.3 If workers' pay for housing, the cost of housing shall be commensurate with the pay and comparable to similar housing in the area/industry.	C	C
	2.7.4 Employer-provided housing shall be safe and healthy. <sup>23</sup>	C	C
	2.7.5 Employer provided housing shall have functioning emergency exits and first-aid supplies, fire detection and suppression equipment shall be in place and in working order and workers competent to handle equipment in case of emergencies.	C	C
Reworded	2.7.6 Workers, and their families, shall have access to medical services if they live in employer-provided housing.	C	C
	<b>Criterion 2.8 Gender equality is maintained and protected.</b> <sup>24</sup> Gender equality shall be protected according to legal requirements or higher standards.		
	2.8.1 Legal requirements related to gender-based discrimination shall be complied with. <sup>25</sup>	L	L
New	2.8.2 Job opportunities shall be available to all people, irrespective of gender, under the same conditions.	C	C
	2.8.3 Irrespective of gender, there shall be equal remuneration for work of equal value.	C	C
Reworded	2.8.4 Pregnant women who are active workers shall have least 4 weeks maternity leave, with pay or access to similar income.	C	C

<sup>23</sup> [Nestle Responsible Sourcing Standard](#), 2.3.3. see also NEPCon RS-09 Terms & Definitions

<sup>24</sup> ILO, C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

<sup>25</sup> [Accountability Framework](#), Core Principles, 2,

New	2.8.5 Decision making forums (meeting, committees, etc.) shall be organized to include both men and women.	C	C
New	2.8.6 A confidential and effective mechanism shall exist for reporting and eliminating cases of sexual harassment and discrimination based on gender, marital status, parenthood or sexual orientation.	C	C
	<b>Criterion 2.9 The rights of Indigenous Peoples are respected.</b> The rights of Indigenous Peoples shall be respected according to the UN Declaration on the Rights of Indigenous Peoples <sup>26</sup> and the ILO Indigenous and Tribal Peoples Convention <sup>27</sup>		
	2.9.1 Legally recognised Indigenous People affected by land-use or other operations shall be identified.	L	?
	2.9.2 Legally recognised Indigenous Peoples' rights shall be respected.	L	?
	2.9.3 Indigenous Peoples and their rights shall be identified and recognized in accordance with ILO Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples even if the national regulations of the host state fail to fully recognize these rights, fails to recognize certain indigenous groups as collective rights-holders, or uses terminology or classifications which excludes the term indigenous.	C	?
Reworded	2.9.4 There shall be no unresolved claims from Indigenous Peoples rights holders on the land under operation.	C	?
	<b>Criterion 2.10 Community rights are respected.</b> <sup>28</sup> The rights of local communities shall be respected. Where operations have caused or contributed to adverse impacts to Indigenous Peoples', communities' or workers' rights,		

<sup>26</sup> UN [Declaration on the Rights of Indigenous Peoples](#).

<sup>27</sup> ILO Convention 169. Indigenous and Tribal Peoples Convention:  
[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C169](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C169)

<sup>28</sup> FSC, [Principles and criteria for forest stewardship](#) FSC-STD-01-001 V5-2 EN, Principle 4; PEFC, [Sustainable forest management requirements](#), Criterion 6.

	remediation through an adequate, legitimate, and culturally appropriate mechanism shall be provided.		
	2.10.1 Local communities affected by the operations of the Organisation shall be identified.	L	N/A
	2.10.2 Legally recognised customary and community rights shall be identified and respected.	L	N/A
	2.10.3 The rights of local communities shall be identified and respected, also where these are not legally defined.	C	N/A
	2.10.4 Reasonable opportunities for employment, training and other services shall be made available to local communities.	C	C
	2.10.5 Sites and resources within the area of operation, fundamental for satisfying the basic needs of local communities shall be identified and protected (HCV5).	C	N/A
	2.10.6 Sites, resources, habitats and of cultural, archaeological, or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities, shall be identified and protected as appropriate.	C	N/A
	<p><b>Criterion 2.11 Remediation measures are implemented as appropriate.</b></p> <p>Where operations have caused or contributed to adverse impacts to Indigenous Peoples', communities' or workers' rights, remediation through an adequate, legitimate, and culturally appropriate mechanism is provided.</p>		
Reworded	2.11.1 Where operations have caused or contributed to adverse impacts to Indigenous Peoples', communities' or workers' rights, remediation through an adequate, legitimate and culturally appropriate remedial mechanism which shall be developed and implemented.	C	N/A
	2.11.2 An effective grievance mechanism that adheres to the Effectiveness Criteria of the UN Guiding Principles on Business and Human Rights, shall be implemented where applicable.	C	C

	2.11.3 Interests in or ownership of land shall not be divested to avoid remediation or other responsibilities until outstanding grievances are fully resolved, or obligations have been legally transferred to another party (e.g., a new owner).	C	N/A
	<b>Principle 3: Nature and the environment are protected</b>		
	<b>Criterion 3.1 Natural ecosystems are protected from degradation and conversion.</b>  Production or other activities shall not contribute to deforestation and conversion of natural ecosystems to other land uses. Land-use planning, and management shall take place in a way that protects or restores biodiversity and natural ecosystems.		
	3.1.1 Legal requirements relating to degradation and conversion of natural forests or other natural ecosystems shall be complied with <sup>29</sup> .	L	N/A
	3.1.1 Legal requirements relating to biodiversity protection, protected sites, and protection of endangered/protected species shall be complied with.	L	N/A
New	3.1.2 Riparian buffer zones are protected.	C	N/A
Reworded	3.1.3 The risk of fire shall be controlled and fire shall not be used for land preparation, except under special and justified circumstances.	C	C
	3.1.4 Animals that are endangered or protected shall not be hunted, killed, fished, collected, held captive or trafficked.	C	N/A

<sup>29</sup> In this context legal conversion refers to conversion of very limited areas e.g. for road construction or other infrastructure necessary to operate. Legal conversion of large areas allocated for conversion of forest to other land-uses, even if legal, is not considered in conformance with the intention of the Framework.

	3.1.5 Legal requirements related to environmental impact assessments shall be complied with.	L	N/A
	3.1.6 Deforestation of natural forests or conversion of other natural ecosystems shall not take place: <ul style="list-style-type: none"> <li>a) For perennial crops, the plants shall not have replaced natural vegetation within the last 10 years and must be at least at the second rotation.</li> <li>b) For annual crops, the farms shall not have replaced natural forest or ecosystems within the last 10 years.</li> <li>c) There shall be no conversion or use of peat soils for agricultural or plantation purposes.</li> <li>d) Non-forest natural ecosystems shall be protected from conversion to agriculture, plantation forestry, intensive livestock production, or other land uses. This includes taking appropriate measures to support the long-term protection of natural ecosystems in the area of influence.</li> </ul>	C	N/A
	<b>Criterion 3.2 High Conservation Values (HCVs)<sup>30</sup> are identified and protected.</b> High Conservation Values one to four (HCVs 1-4) are identified, protected and enhanced in alignment with the HCV Networks guidance.		
	3.2.1 The presence of High Conservation Values 1-4 shall be identified. <sup>31</sup>	C	N/A
	3.2.2 Strategies to protect and manage the identified HCVs shall be developed and implemented. <sup>32</sup>	C	N/A
	3.2.3 Identification, protection, and enhancement activities relevant to HCVs shall be carried out in consultation with relevant and/or affected stakeholders and experts.	C	N/A

<sup>30</sup> See the HCV Network for more information: <https://hcvnetwork.org>

<sup>31</sup> <https://hcvnetwork.org/library/common-guidance-for-the-identification-of-high-conservation-values/>

<sup>32</sup> [https://hcvnetwork.org/wp-content/uploads/2018/04/HCV\\_Mgmt\\_Monitoring\\_final\\_english.pdf](https://hcvnetwork.org/wp-content/uploads/2018/04/HCV_Mgmt_Monitoring_final_english.pdf)

	3.2.4 Changes in the status of High Conservation Values shall be identified through ongoing monitoring and management adapted to secure continued protection. The monitoring shall be proportionate to the scale, intensity and risk of activities.	C	N/A
	<b>Criterion 3.3 Chemicals are used cautiously with minimal negative impacts.</b> The use of chemicals shall be avoided where possible and – where used as agents to control weeds and pests or to add nutrients to the soil , it shall be applied in ways that protect human health, as well as ensuring minimal impacts on the environment.		
	3.3.1 Legal requirements relating to chemical use and storage shall be complied with.	L	L
Reworded	3.3.2 If highly hazardous chemicals <sup>33</sup> are used, risks to people and environment shall be assessed and mitigated.	C	C
	3.3.3 Chemical drift, run-off or spills shall be effectively avoided and controlled.	C	C
	3.3.4 Chemicals with known risks for pollinators shall only be used if: a) Less toxic pesticides are not available; b) Exposure to natural ecosystems is minimised; and c) Contact of pollinators with these substances can be minimised.	C	N/A
New	3.3.5 Where chemicals are used, application shall be conducted in the most efficient manner and minimise adverse effects on the environment.	C	C
New	3.3.6 The use of chemicals shall be reduced, as far as possible.	C	C

<sup>33</sup> WHO International Code of Conduct on Pesticide Management – Guidelines on Highly Hazardous Chemicals

	<p><b>Criterion 3.4 Waste is reduced and managed appropriately.</b></p> <p>Waste from production or activities related to production shall be managed and minimised.</p>		
	3.4.1 Legal requirements relating to waste and residue management shall be complied with.	L	L
Reworded	3.4.2 Wastewater from operations is not discharged into the surrounding environment, including aquatic ecosystems, unless it has undergone treatment to reach a safe level.	C	C
Reworded	3.4.3 Untreated sewage shall be properly disposed of to avoid negative effects on surrounding environment, including aquatic resources.	C	C
	3.4.4 Waste storage, treatment and disposal practices shall not pose health or safety risks to farmers, workers, other people, or natural ecosystems.	C	C
	3.4.5 Waste shall not be burned, except in incinerators technically designed for the specific waste type.	C	C
Changed to C	3.4.6 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, shall be developed, and implemented.	C	C
	<p><b>Criterion 3.5 Water resources are protected and used efficiently.</b></p> <p>Where water is used as part of the production system, legal requirements are met – as well as ensure that any water use and impacts on water resources are managed.</p>		
	3.5.1 Legal requirements for use of surface and ground water shall be complied with.	L	L
New	3.5.2 Water usage shall be optimized and potential negative impacts on production and the surrounding environment shall be reduced.	C	C
	3.5.3 Natural water bodies shall be protected from chemical drift and run-off from pollutants and fertilizers.	C	C

	<p>3.5.4 A water management plan shall be in place and implemented that includes the following:</p> <ul style="list-style-type: none"> <li>a) Measurement and monitoring of water resources</li> <li>b) Set target for water management</li> <li>c) Define actions to achieve targets</li> <li>d) Set timelines to reach targets</li> <li>e) Resource allocation.</li> </ul>	C	C
	<p><b>Criterion 3.6 Soil is conserved and managed appropriately.</b></p> <p>Negative impacts on soils are managed and minimised.</p>		
	3.6.1 Legal requirements related to soil management are complied with.	L	N/A
	3.6.2 Water and wind erosion shall be reduced through practices such as ground covers, mulches, protection and re-vegetation of steep areas, terracing or filter strips to protect soils.	C	N/A
	3.6.3 Cultivation practices shall be implemented to maintain or improve the physical, chemical, and biological condition of soil and minimise soil erosion.	C	N/A
Changed to C	3.6.4 Crop nutrients and soil fertility shall be conserved through use of rotations, cover crops, and the application of plant and animal materials, where possible.	C	N/A
Changed to C	3.6.5 Plant and animal materials shall be managed to maintain or improve soil organic matter content in a manner that does not contribute to contamination of crops, soil, or water by plant nutrients, pathogenic organisms, heavy metals, or residues of prohibited substances, where possible.	C	N/A

	<p><b>Criterion 3.7 Animal health and welfare is secure.</b><sup>34 35</sup></p> <p>The health and welfare of animals shall be ensured and protected.</p>		
	<p>3.7.1 Legal requirements relating to animal health and welfare shall be complied with.</p>	L	L
	<p>3.7.2 Animal health and well-being is supported and promoted, through the following:</p> <ul style="list-style-type: none"> <li>a) Biological, chemical and physical risks for animals and workers shall be minimised.</li> <li>b) Best practices for animal feeding and breeding shall be used.</li> <li>c) Animals of robust breeds adapted to local conditions and farming systems shall be selected, and breeds associated with health and welfare problems (e.g. conformation and excessive growth rate) shall be avoided.</li> <li>d) The stocking rate and rotation of on-farm forage production is managed to maintain healthy and productive livestock feeding and reduce parasite contamination.</li> <li>e) Animal drinking water and feeding sources shall not be contaminated by on-farm effluents.</li> <li>f) All staff engaged in animal management shall have the necessary experience, skills and training to ensure best practices are used.</li> <li>g) Good husbandry systems and practices shall be used to prevent occurrence of diseases and to minimise the use of veterinary drugs.</li> </ul>	C	C
	<p>3.7.3 Transportation of live animals shall comply with the five freedoms of the World Organisation for Animal Health:</p> <ul style="list-style-type: none"> <li>a) Freedom from hunger, thirst and malnutrition;</li> <li>b) Freedom from fear and distress;</li> <li>c) Freedom from physical and thermal discomfort; and</li> <li>d) Freedom from pain, injury and disease;</li> </ul>	C	C

<sup>34</sup> OIE, [Terrestrial Animal Health Code](#).  
<sup>35</sup> Nestlé [Responsible Sourcing Standard](#).

	<p><b>Criterion 3.8 Natural ecosystems are restored where appropriate.</b></p> <p>Where the operations have caused or contributed to adverse environmental impacts, measures to restore and rehabilitate forest or ecosystems that have been impacted negatively, shall be implemented.</p>		
	<p>3.8.1 Where deforestation or ecosystem degradation has occurred as a result of the operations, the impacts shall be assessed including an analysis and evaluation of current land uses and land tenure/ownership, and identification of affected stakeholders.</p>	C	N/A
	<p>3.8.2 Based on the assessment, as well as consultation with relevant stakeholders, a suitable site or landscape shall be identified for restoration.</p>	C	N/A
Reworded	<p>3.8.3 A restoration management plan shall be developed, including, but not limited to consideration of the following topics:</p> <ul style="list-style-type: none"> <li>a) topographic land-use maps, including a designation of ecosystem functions and assessment of accessibility;</li> <li>b) existence of natural regeneration and needs for planting;</li> <li>c) selecting the restoration/rehabilitation method;</li> <li>d) choosing the species to be used; and,</li> <li>e) possible positive and negative social and environmental impacts.</li> </ul>	C	N/A
	<p>3.8.4 Capacity needed to ensure achievement of the restoration goals shall be identified and developed.</p>	C	N/A
	<p>3.8.5 The restoration activities shall be implemented according to realistic time schedules and financial plans.</p>	C	N/A
	<p>3.8.6 Areas restored/rehabilitated shall be monitored, protected, and maintained to achieve their function as restoration.</p>	C	N/A

	<b>Principle 4: Climate impacts are minimised and mitigated.</b>		
	<b>Criterion 4.1 Climate impacts are identified and quantified.</b> Key emission sources that may lead to significant negative climate impacts shall be identified and quantified where feasible.		
	4.1.1 Key emission sources, considering land-use change, and energy and materials use, shall be identified.	C	C
	4.1.2 At minimum, the most significant emissions shall be included, considering the scope of the organization’s activities and related risks to the climate. The organization shall justify its inclusion or exclusion of the emission sources.	C	C
	4.1.3 Climate impacts, including GHG emissions, shall be quantified as appropriate to the scale, intensity, and risk of its operations.	C	C
	4.1.4 Where such quantification cannot feasibly be performed, the Organisation shall describe and justify such exclusions.- In such cases, the organisation should still seek to find relevant. benchmark estimations.	C	C
	<b>Criterion 4.2 Steps are implemented to mitigate climate change.</b> A plan to minimize major negative climate impacts shall be developed and implemented, according to the risks and proportionate to the scale and nature of the operation.		
	4.2.1 Efforts shall be taken to reduce negative climate impacts resulting from activities.	C	C
	4.2.2 Targets shall be established with a focus on reducing negative climate impacts and reduction of GHG emissions for the key areas with largest potential for negative climate impacts, as identified by the Organization.	C	C

	4.2.3 The progress of achieving climate change mitigation targets over time shall be monitored and shall implement adjustments when necessary.	C	C
	4.2.4 If offsetting is used, standards used to generate carbon offsets, and the amount of offset credits purchased and used shall be documented.	C	C
	4.2.5 If applicable, national and/or international regulations concerning emission reduction targets for applicable climate change factors and actions shall be complied with.	C	C
	<p><b>Criterion 4.3 Climate change adaptation efforts are proportionate to the risks.</b></p> <p>The organization shall evaluate risks resulting from climate change that may endanger the sustainability of its operations and shall consider and implement appropriate climate adaptation measures, if relevant and applicable.</p>		
	4.3.1 The key risks for operations resulting or potentially resulting from climate change shall be identified.	C	C
	4.3.2 Measures for climate change adaptation shall be implemented for areas of high risk and proportionate to the scale of the operations and anticipated social, economic, and environmental impacts.	C	C
	<p><b>Criterion 4.4 Efforts are taken for carbon removal and ecosystem restoration as appropriate.</b></p> <p>Opportunities for carbon removal and ecosystem restoration and implement related activities shall be considered when feasible and relevant.</p>		
Made C	4.4.1 Activities to increase GHG removals based on land-use practices and manage carbon stocks to reduce negative climate change impacts over time should be considered.	C	N/A

Made C	4.4.2 Positive climate impacts should be attained by implementation of appropriate restoration activities, with a focus on regaining ecological functionality and enhancing human well-being, and with consideration of the reference ecosystem and the changing environmental, social and economic conditions of the area.	C	N/A
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## About us

Preferred by Nature (formerly known as NEPCon) 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 more than 25 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. Learn more at [www.preferredbynature.org](http://www.preferredbynature.org)

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