Terms and Definitions v2.0 For Stakeholder Consultation **Preferred** by Nature Certification



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Introduction

This document contains a list of terms and definitions used in the Preferred by Nature Certification Programme. The definitions provided here offer additional detail to the requirements of the Sustainability Framework Programme and are normative. Where applicable, a reference to the specific source of a definition is included; in some cases, no source is cited.

Annex A provides an overview of forest definitions.

The terms and definitions must be used in conjunction with the other documents of the Preferred by Nature Certification programme listed in **Box 1**.

Box 1.

Normative Documents for Preferred by Nature Certification

PBN-01. Sustainability Framework

Establishes the principles, criteria, and indicators that land-use managers must follow to demonstrate responsible, sustainable practices, as well as social requirements for supply chain entities.

PBN-02. System Standard

Sets out generic quality system requirements applicable to all Preferred by Nature certified operations.

PBN-03. Due Diligence Standard

Defines requirements for supplier collaboration, supply chain information, risk assessment, and mitigation for due diligence and includes a EUDR specific annex.

PBN-04. Seal Use Standard

Sets requirements and conditions for using the PBN Seal.

PBN-05. Chain of Custody Standard

Specifies requirements for chain of custody models and traceability systems used to manage claims and track products throughout the supply chain.

PBN-06. Terms and Definitions

Provides definitions and concepts used in the Preferred by Nature Certification programme.

PBN-07. Pesticides Policy

Defines PBN's policy on the use of pesticides.

PBN-08. GMO Policy

Defines PBN's policy on the use of Genetically Modified Organisms (GMOs).



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Terms & definitions



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: <u>EU Deforestation Regulation (EU) 2023/1115</u>

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 combined 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: EU Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020. Note: According to the EU Deforestation Regulation (EU) 2023/1115, agroforestry systems are considered agriculture and agricultural use.

Area under management

The total spatial extent within a property over which the certificate holder exercises operational control and intends to apply the Preferred by Nature Sustainability Framework. It includes production areas, infrastructure, conservation set-asides, and other installations, and must be mapped with geospatial precision (latitude/longitude ≥ 6 decimal places).



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 the use of 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 factors such as the nature of the conflict, the parties involved, the duration, and the level of intensity. These include: • International armed conflict: A conflict between two or more states or nations. • Non-international armed conflict: 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: A type of non-international armed conflict that occurs between different groups within the same state or nation. • Guerrilla warfare: 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



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



Carbon footprint

The total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tonnes of carbon dioxide (eCO₂). The carbon footprint may include the emissions of other greenhouse gases in addition to carbon dioxide, such as methane.

Certification code

A unique code assigned by Preferred by Nature to each organisation certified under the Preferred by Nature Certification Programme. The code is displayed on the certificate issued to organisations that have demonstrated compliance with the applicable requirements.

Certification scheme

A third-party scheme providing assurance of conformance to a normative framework.

Certified area

A subset of the area under management that is included in the scope of a valid Preferred by Nature certificate and therefore audited against all applicable indicators. The certified area must be accurately mapped, kept up to date, and comply with the framework at all times, irrespective of seasonal crop rotations or land-use changes. Note: In relation to "certified area", other relevant terms are also defined in this document. The table below provides an overview.



Term	Formal definition for the certification programme
Audit scope	The combination of certified area(s), products, processes, sites, and claims that will be evaluated during a specific audit event (initial, surveillance, change of scope, or re-assessment).
Area under management	The total spatial extent within a property over which the certificate holder exercises operational control and intends to apply the Preferred by Nature Sustainability Framework. It includes production areas, infrastructure, conservation set-asides, and other installations.
Certificate Holder	The legal entity to which a Preferred by Nature certificate is issued. The certificate holder bears ultimate responsibility for conformance with all applicable requirements within the certified area and for any other activities included in the audit scope.
Certified area	The subset of the area under management that is included in the scope of a valid Preferred by Nature certificate and is therefore audited against all applicable indicators. The certified area must be accurately mapped, kept up to date, and comply with the framework at all times, irrespective of seasonal crop rotations or land-use changes.
Excluded area	Any land, facility, or activity located on the same property that is not included in the certified area and is therefore outside the audit scope. Excluded areas must be clearly mapped, identifiable on site, and segregated so that no certified claims are applied to their outputs. They must still comply with the minimum conditions of the Policy of Association.
Management Unit (MU)	A spatially discrete area, or an aggregation of contiguous areas, within a property over which a single, coherent management system is applied. Management units are the basic planning and audit units used for sampling and performance evaluation.
Property	A single legally recognised landholding (estate, parcel, or aggregation of parcels) under common ownership, lease, or other tenure right, registered with the competent public authority. The cadastral boundary constitutes the outer limit of the property for certification purposes.

Certificate holder

The legal entity to which a Preferred by Nature certificate is issued, bearing ultimate responsibility for conformance with all applicable requirements within the certified area and any other activities included in the scope.

Chain of Custody model

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

Chain of Custody system

A CoC system includes measures that define the responsibility for the custody of materials and products when they 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 maintained and 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. This includes various substances, with particular focus on agrochemicals such as pesticides, herbicides, insecticides, fungicides, and fertilisers. Chemicals may also include those used in processing and manufacturing. (Also see the definition of Prohibited Pesticides in this document.)

Child

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

Child labour

Child labour is work that deprives children of their childhood, potential, and dignity, and that is harmful to their 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 combine school attendance with excessively long or heavy work.

In accordance with international labour standards, a minor between the ages of 12 and 15 may work on a farm owned or operated by their parent or guardian, provided the following conditions are met:

- The minor freely expresses their wish to help and learn at the family farm if interviewed outside the farm
- Work takes place outside of school hours
- Work is always supervised by a parent or guardian
- Work does not take place at night, nor involve heavy lifting or hazardous conditions, such as:
 operating or assisting to operate machinery, including tractors and power engines; working
 from a ladder or scaffold at heights over 2 metres (e.g., painting, repairing, building
 structures, pruning trees, picking fruit); working in confined spaces with oxygen-deficient or
 toxic atmospheres (e.g., silos or storage); handling or applying agricultural chemicals.

These conditions also apply to apprentices and students at agricultural schools who may be present on farms. Not all work performed by children constitutes child labour targeted for elimination. Participation in work that does not harm their health or development and does not interfere with schooling is generally considered positive. Such activities include helping with housework, assisting in a family business, or earning pocket money outside school hours and during holidays. These activities contribute to children's development, provide skills and experience, and prepare them to be productive adults. Source: International Labour Organization

Child labour, the worst form of

Whilst child labour takes many forms, priority must be given to the immediate elimination of the worst forms of child labour as defined by Article 3 of ILO Convention No. 182. These include:



- 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, particularly for the production and trafficking of drugs as defined in 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)

Claim

A message used to describe or promote a product concerning its sustainability attributes or specified characteristics. In this Standard, the term claimed material denotes any material for which the organisation asserts a claim, following the options outlined in the Sustainability Framework standards.

Collective bargaining

All negotiations which take place between one or more employers or employers' organisations, on the one hand, and one or more workers' organisations, on the other, for determining working conditions and terms of employment, and/or regulating relations between employers and workers, and/or between their respective organisations. Source: based on <u>ILO Convention No. 154</u>, <u>Article 2</u>

Community

A community refers to a group of people connected by shared geography, identity, culture, or interests who may be directly or indirectly affected by an operation's activities. Communities may include residents of villages, towns, or settlements located within or near the certified area, as well as groups that hold customary or legal rights to land, water, forests, or other natural resources. For the purposes of Preferred by Nature Certification, the term includes both local communities (those living in or around the management area) and Indigenous Peoples, where applicable. Communities are recognised as rights holders and stakeholders whose well-being, cultural values, and participation must be respected in line with human rights and sustainability principles.

Community rights

Although "community rights" is not a formally defined concept in international law, community members are entitled to the full range of human rights. Given the social, economic, and political structures and cohesion within communities, these rights often have a collective dimension. There are commonalities between community rights and indigenous peoples' rights, particularly when projects affect lands and resources that concern entire communities rather than just individuals.

Complaint

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

Component

A part or element of a semi-finished or finished manufactured product. For clarity and brevity, ingredients of food products are also referred to as components in this Standard. Examples include cocoa in a chocolate bar or a specific wooden part in a piece of furniture.



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, it involves a conflict between the public official's duty and their private interests, where the private interests could improperly influence the performance of their official duties and responsibilities. Source: OECD

Conformance

In the context of Preferred by Nature Certification, conformance refers to a high likelihood that there are no violations of the applicable criteria or requirements. However, it is important 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 used for this purpose.

Control measure

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

Conversion factor (CoC)

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

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 (land use)

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

Core component

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

Corruption Perceptions Index (CPI)

A global index measuring the perceived level of corruption in individual countries. The index is developed by Transparency International. Source: <u>Transparency International</u>

Corruption

Transparency International defines corruption as the abuse of entrusted power for private gain. Corruption can be classified as grand, petty, or political, depending on the amount of money involved and the sector in which it occurs.



Cultural heritage

The ensemble of tangible monuments, groups of buildings, and sites, together with intangible practices, expressions, knowledge, skills, instruments, objects, and cultural spaces that communities, groups, or individuals recognise as part of their cultural identity and legacy, as defined in the 1972 UNESCO World Heritage Convention and the 2003 Convention for the Safeguarding of the Intangible Cultural Heritage.

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 statutory law for defined ethnic or other social groups. In other jurisdictions, customary law complements statutory law and is applied in specified circumstances. Source: FSC Standard FSC-STD-01-001 V5-2

Customary rights

Rights resulting from a long series of habitual or customary actions, repeatedly performed and continuously accepted, which have thereby acquired the force of law within a specific geographical or sociological community. Source: FSC-STD-01-001 V5-2



Date or time range of production

This refers to the period during which trees or agricultural products were harvested. For cattle, it specifically pertains to the date or time range of slaughter. According to the EU Deforestation Regulation (the Regulation), Operators (and non-SME Traders) are required to collect information on the production date or time range as outlined in Article 9 of the Regulation. This information is necessary to determine whether the product is deforestation-free and applies to relevant products that contain, have been fed with, or have been made using the commodities covered by the Regulation. Sources: EU Deforestation Regulation (EU) 2023/1115 and European Commission Frequently Asked Questions - Deforestation Regulation 29 June 2023

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 Sustainability Framework, Preferred by Nature adopts a slightly broader definition, including the conversion of natural forest into plantations, other wooded land, or other land. Under this definition, deforestation is the loss of natural forest resulting from, whether human-induced or not: • Conversion to agriculture or other non-forest land use; • Conversion to plantation forest; or • Severe and sustained degradation.

Deforestation-free (synonym: **No-deforestation**)

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



Discrimination

Any distinction, exclusion, or preference made based on race, national or territorial origin, social origin, caste, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age, or any other grounds. 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 pregnancy and parental responsibilities; worker organisation membership or status as an organiser; having filed complaints within complaints or grievance mechanisms; any other protected status under applicable laws. Source: Sustainable Agriculture Standard

Downstream

The downstream supply chain refers to activities that occur after manufacturing, primarily involving the distribution of products to the final customer. It can also be described as the "demand" side, while the upstream supply chain represents the "supply" side. Downstream activities include distributing and delivering finished goods from a business to its customers or end consumers, encompassing processes such as distribution, order fulfilment, and sales. A key feature of the downstream supply chain is its focus on customer-driven operations aimed at meeting the demands and preferences of end consumers.

Due Diligence

Within this Framework, due diligence refers to the actions taken by organisations to ensure that the production, processing, or sourcing of commodities is carried out responsibly, using a risk-based approach. Generally, it is defined as "the care that a reasonable person exercises to avoid harm to other persons or their property."

Due Diligence System (DDS)

A set of steps or actions taken to ensure that due diligence is properly exercised. The Due Diligence System may include written guidelines and procedures detailing the due diligence process.



Ecological value

The combined biodiversity, habitat quality and structural complexity, and the ecosystem functions and services characteristic of a natural ecosystem in its location — that is, what is reflected by its species composition, structure, and ecological function (the same triad used across our ecosystem definitions). In practice, this includes identified ecosystem and biodiversity values as well as any High Conservation Values (HCVs) present, and can be quantified using approved condition or equivalency metrics for "like-for-like or better" outcomes.

Ecosystem restoration

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>

Employer-provided housing

Housing provided to workers by their employer. For housing to be healthy and safe, the following conditions should be met: • Employer-provided housing shall be clearly separated from factory and production areas and have segregated housing for males and females where necessary to respect



privacy. • Housing shall be safely constructed and maintained in hygienic conditions. • Workers must be free to enter and leave the housing buildings at will. • Employer-provided housing shall have automatic fire detection and alarm systems. • Housing shall respect personal floor space and minimum cubic air content. • Adequate lighting and ventilation must be provided. • Windows shall be large enough to enable workers to read by natural light, and constructed to allow fresh air to enter, whether artificial lighting or ventilation is in use. • Ventilation systems shall be appropriate, functioning, and well maintained. • Sleeping facilities must include beds and mattresses raised above the floor, and the space must be quiet and dark enough to allow for good sleep quality. • Housing must provide access to potable water, electricity, clean shower and toilet facilities that respect privacy, as well as sanitary food preparation and storage areas. • Personal storage equipment with lockable lockers shall be available for workers. Source: Adapted from the ILO Workers' Housing Recommendation

Endangered species

Plant or animal species classified as endangered under national law or by international organisations, such as the International Union for Conservation of Nature (IUCN). According to the IUCN Red List, the threat categories in descending order of severity are: 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 a product for the purpose of consuming it or using it for its intended final use. End-users always purchase final products, but final products may also be traded between business entities that are not end-users, such as distributors, traders, and wholesalers.

Environmental Impact Assessment (EIA)

A systematic process used to identify the potential environmental and social impacts of proposed projects. It evaluates alternative approaches and helps design and incorporate appropriate measures for prevention, mitigation, management, and monitoring. Source: Based on environmental impact assessment, guidelines for FAO field projects. Food an d agriculture organization of the United Nations (FAO), Rome

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: EU Deforestation Regulation (EU) 2023/1115

EU Deforestation Regulation (EUDR)

Formally known as Regulation (EU) 2023/1115, this European Union law aims 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 regarding products they source that may contain, be made from, or be fed with commodities linked to a high risk of deforestation, including soy, beef, oil palm, rubber, wood, cocoa, and coffee. Source: (EU) 2023:1115

Exceptional Use Pesticides

Pesticide active ingredients that are not on the Prohibited list but are considered hazardous and are allowed only under specific exceptional conditions with Preferred by Nature (PBN) oversight. These typically include: • Pesticides that meet certain hazard criteria (e.g., WHO Class II moderately hazardous, or GHS Carcinogen Category 2), or those known to pose high environmental risks (e.g.,



toxic to pollinators or aquatic life), for which viable safer alternatives are not widely available or feasible in certain contexts. • Any pesticide that is otherwise Prohibited but temporarily permitted by PBN under an emergency or time-bound derogation. The list of Exceptional Use Pesticides is contained in Annex B of this policy. Use of these pesticides by Certificate Holders is permitted only if all policy requirements are met, including the development of an Exceptional Pesticide Use Plan (EPUP) and implementation of risk mitigation measures.

Exceptional Pesticide Use Plan (EPUP)

A documented plan prepared by a Certificate Holder before using any Exceptional Use Pesticide. The EPUP justifies the necessity of the pesticide and details how its use will be minimized and managed safely. It must include at least: (a) Evidence of no viable alternatives (e.g., records of IPM attempts or expert recommendations); (b) A risk assessment of the proposed use; (c) A list of mitigation measures to prevent or reduce harm, covering worker safety, environmental protection, and community impacts; (d) An application protocol detailing who, how, when, and where the pesticide will be applied; (e) Monitoring plans such as residue testing, efficacy evaluation, and incident reporting; (f) An intention and timeline to phase out the pesticide when possible.

Excluded area

Any land, facility, or activity located on the same property that is not included in the Certified Area and is therefore outside the Audit Scope. Excluded areas must be clearly mapped, identifiable on-site, and segregated so that no certified claims apply to their outputs. They must still meet the minimum conditions of the Policy of Association.



Fertiliser

Organic or inorganic substances containing chemical elements that improve plant growth and soil fertility. Inorganic or mineral fertilisers consist of nutrients in the form of inorganic salts obtained through extraction and/or physical and chemical processes. The three primary plant nutrients are nitrogen, phosphorus, and potassium. Source: OECD

Final product

A product that undergoes no further modification, including packing or repacking. Final products may be sold and purchased by distributors and wholesalers but are ultimately intended for end users.

Forest

Land spanning more than 0.5 hectares with trees higher than 5 metres and a canopy cover of more than 10 percent, or trees capable of reaching these thresholds in situ. It excludes land predominantly used for agriculture or urban purposes. Also, see Annex B. Source: <u>EU Deforestation Regulation (EU)</u> 2023/1115

Forest degradation

In the context of the EU Deforestation Regulation, forest degradation refers to structural changes to forest cover, including the conversion of primary or naturally regenerating forests into plantation forests or other wooded lands, and the conversion of primary forests into planted forests. Source: <u>EU Deforestation Regulation (EU) 2023/1115</u>



Free, Prior, and Informed Consent (FPIC)

A legal requirement ensuring that a person or community gives consent to an action before it begins, based on a clear understanding of the facts, implications, and future consequences, having received all relevant information beforehand. FPIC includes the right to grant, modify, withhold, or withdraw approval. It is required before approving or starting any project that may affect lands, territories, or resources customarily owned, occupied, or used by Indigenous Peoples, respecting their collective rights to self-determination and land. Key elements of FPIC: • Free: Consent is given voluntarily without coercion, duress, or intimidation. • Prior: Consent is obtained before the activity is authorized or starts. • Informed: Consent follows the provision of relevant, timely, and culturally appropriate information. • Consent: Indigenous Peoples or local communities collectively decide to approve or reject the activity. Sources: United Nations Declaration on the Rights of Indigenous Peoples and United Nations Office of the High Commissioner for Human Rights

Freedom of association and the right to organise

The right of workers and employers, without discrimination, to establish, join, and participate in organisations of their choice without prior authorization, and free from anti-union discrimination or interference. Such organisations have the right to operate freely and independently, protected against interference by employers or public authorities. Source: based on ILO Convention No. 87, Articles 2 and 3



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. It is the equal valuing by society of the similarities and differences between women and men, and the roles they play. Gender equality is based on women and men being full partners in their homes, communities, and society. Source: <u>UNESCO</u>

General Use Pesticides

All pesticide active ingredients not classified as Prohibited or Exceptional Use. These are considered lower risk. Certificate Holders may use them provided all general precautions, legal requirements, and Preferred by Nature Sustainability Framework criteria are followed. General Use Pesticides should still be used sparingly and responsibly as part of Integrated Pest Management (IPM); their status as "general" does not exempt Certificate Holders from exercising duty of care in application.

Genetically Modified Organism (GMO)

A plant, animal, or micro-organism whose genetic material has been deliberately altered through modern biotechnology — such as recombinant-DNA transfer, direct gene editing (e.g., CRISPR/Cas), or cell/protoplast fusion — resulting in a genetic combination that could not occur through conventional breeding or natural recombination. Techniques not considered to produce GMOs include: in-vitro fertilisation, conjugation, transduction, transformation or other natural gene-exchange processes, induced polyploidy, traditional mutagenesis, grafting, vegetative propagation, tissue culture, and cell fusion where the product could also be obtained by traditional breeding. This definition aligns fully with those used by both the Forest Stewardship Council (FSC) and the Rainforest Alliance (RA).



Geolocation

The geographical location of a plot of land or establishment, described by latitude and longitude coordinates with at least six decimal digits. For relevant commodities other than cattle, plots of land larger than 4 hectares must be described using polygons — sufficient latitude and longitude points to outline the perimeter of each plot. Source: <u>EU Deforestation Regulation (EU) 2023/1115</u>

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 Geolocation.)

GHG offset

A carbon offset is a reduction in carbon dioxide or other greenhouse gas emissions made to compensate for emissions produced elsewhere. Carbon offsets are measured in tonnes of CO2 equivalent (CO2e). Offset schemes allow individuals and companies to invest in environmental projects worldwide to balance their carbon footprints. These projects, often based in developing countries, typically aim to reduce future emissions through clean energy technologies or by retiring carbon credits from emissions trading schemes. Other projects absorb CO2 directly from the atmosphere by planting trees.

Greenhouse Gas (GHG)

A gas that contributes to the natural greenhouse effect. The Kyoto Protocol covers six greenhouse gases produced by human activities: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulphur hexafluoride. Emissions of these gases are measured in carbon dioxide equivalents (CO2e) based on their global warming potential. Source:

https://www.eea.europa.eu/help/glossary/eea-glossary/greenhouse-gas



Hazardous work

Work that may expose the worker to one or more of the following hazards: • Mechanical hazards: Equipment posing cutting or crushing risks. • Chemical hazards: Exposure to harmful substances or compounds. • Physical hazards: Including noise, machinery vibration, work at heights, extreme temperatures, or unusual air pressure. • Electrical hazards: Risks associated with working on live wires, exposed live components, and maintenance of high-tension equipment and lifts. • Bodily strain: Resulting from heavy lifting or work involving uneven physical loads. • Biological hazards: Exposure to harmful biological agents. • Other specific types of hazardous work. Source: International Labor Organisation (ILO)

High Conservation Value (HCV)

Any of the following values: • HCV 1: Species diversity — Concentrations of biological diversity, including endemic, rare, threatened, or endangered species significant at global, regional, or national levels. • HCV 2: Landscape-level ecosystems and mosaics — Intact forest landscapes and large-scale ecosystems significant at global, regional, or national levels, containing viable populations of most naturally occurring species. • HCV 3: Ecosystems and habitats — Rare, threatened, or endangered ecosystems, habitats, or refugia. • HCV 4: Critical ecosystem services — Basic ecosystem services in critical situations, such as water catchment protection and erosion control.



- HCV 5: Community needs Sites and resources fundamental to local communities' or Indigenous Peoples' necessities (livelihoods, health, nutrition, water), identified through engagement.
- HCV 6: Cultural values Sites, resources, habitats, or landscapes of global or national cultural, archaeological, historical, or critical importance to traditional cultures of local communities or Indigenous Peoples, identified through engagement. Source: FSC standard FSC-STD-01-001 V5-2

Human rights

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



Illegally harvested wood

Wood harvested in violation of applicable laws governing harvesting in that specific location or jurisdiction. Source: Adopted from <u>FSC Glossary of Terms (FSC-STD-01-002, updated 19 October 2017)</u>

ILO fundamental conventions

The ten fundamental conventions of the International Labour Organization 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) 8. The Worst Forms of Child Labour Convention, 1999 (No. 182) 9. Occupational Safety and Health Convention, 1981 (No. 155) 10. Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) Source: ILO

Indicator

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

Indigenous Peoples

People and groups characterised by all the following: • Self-identification as Indigenous Peoples at the individual level and acceptance by the community as members; • Historical continuity with precolonial and/or pre-settler societies; • Strong links to territories and surrounding natural resources; • Distinct culture and beliefs; • Being non-dominant groups within society; • A 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

Standards that specify the normal remuneration for every occupation within a sector — from entrylevel workers to senior managers — expressed as hourly, daily, or monthly rates. These standards are compiled from authoritative sources such as government labour statistics, sectoral collectivebargaining agreements, and reputable wage surveys, reflecting what employers in the industry typically pay.

Input material

Material or product sourced by an organisation for trading, whether or not processing activities have been applied to it.

Integrated Pest Management (IPM)

A comprehensive, ecosystem-based approach to preventing, monitoring, and controlling pests while minimising risks to people, non-target organisms, and the environment. Under the Preferred by Nature (PBN) Pesticides Policy (PBN-07), Certificate Holders must: • Prioritise prevention: Design production systems and cultural practices (e.g., crop rotation, resistant varieties, balanced soil fertility, habitat management) to reduce pest outbreaks before they occur. • Accurately identify and monitor pests: Conduct regular field scouting or trapping, maintain verifiable records, and analyse trends to apply controls only when economically or ecologically justified. Thresholds must be science-based and locally adapted. • Apply a graduated toolbox of controls: - Physical controls: Crop hygiene, pruning, water management, exclusion nets, tillage, flaming. - Mechanical controls: Trapping, hand-removal, vacuuming pests. - Biological controls: Conservation or release of natural enemies, pheromone disruption, bio-pesticides, botanicals.- Chemical controls (pesticides): Used only when non-chemical options fail to keep pests below thresholds. The least hazardous option must be chosen, applied with precise timing, calibrated equipment, and drift-minimisation measures. • Document and justify any chemical use: Before using an Exceptional Use pesticide, Certificate Holders must demonstrate that suitable IPM measures have failed or are unfeasible and prepare an Exceptional Pesticide Use Plan (EPUP) detailing justification, risk mitigation, monitoring, and phase-out plans. • Evaluate and improve: Assess the efficacy, side effects, and costs after each control action; use findings to refine thresholds and choose safer alternatives, showing continuous reduction in hazardous pesticide reliance.

International law/convention/instrument

Below is an outline of the definitions of international law, conventions, and related instruments.

Term Technical definition		Typical scope & enforceability
International convention/ treaty	A legally-binding agreement between States, concluded in writing and governed by international law (whatever its particular designation – convention, covenant, protocol, agreement, etc.).	Hard law only. Once a State ratifies, all obligations become compulsory for that State, and can be enforced through its domestic legal system and/or any treaty-monitoring mechanisms.
International The full body of public internation law law: treaties plus customary international law, general princip and authoritative case-law.		Very broad. Covers binding rules that may <i>not</i> appear in any single written instrument (e.g. the customary prohibition of slavery).



International
instrument

Umbrella term covering both binding and non-binding texts – treaties, protocols, UN declarations, voluntary guidelines, codes of conduct, etc. Mixed: can be hard or soft law. The instrument itself (or the Framework) must specify whether it is mandatory or guidance.



Land management rights

The specific ways in which a piece of land can be used or developed, as determined by local land-use regulations or zoning laws. These may include: • The right to build specific types of structures; • The right to operate certain types of businesses; • The right to farm or extract natural resources. Such rights are subject to conditions and restrictions, including environmental regulations and building codes. While land tenure rights define who has legal control over a piece of land, land management rights specify how the land can be used.

Land tenure rights

The legal rights of an individual or group to occupy and use land, including the right to transfer or sell it. These rights may be based on ownership, leasehold, or other tenancy arrangements. Land tenure defines the relationship — legal or customary — between people and land (including natural resources such as water and trees). It is an institution created by society to regulate access, use, control, and transfer of land, as well as related responsibilities and restrictions. 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

Land use (category)

The classification or designation of how land is used or intended to be used (e.g., agriculture, forestry). This refers to the purpose of the land rather than the specific activities carried out.

Legal requirement

Any duty, prohibition, or standard that is binding under the applicable legislation of the country of production, including: • National (central-government) statutes and regulations; • Sub-national or regional statutes and regulations; • Secondary legislation (decrees, implementing rules, administrative instructions); • Binding jurisprudence (court or constitutional rulings); • International treaties and conventions with legal effect in the domestic legal system.

Living wage

Remuneration for a standard workweek sufficient for a worker and their family to afford a decent standard of living. This includes: • Food and water; • Housing; • Education; • Health care;

• Transportation; • Clothing; • Other essential needs, plus provision for unexpected events. Source: <u>Global Living Wage Coalition</u>

Local community

Communities located in or near the Management Unit, or close enough to significantly affect — or be affected by — the unit's economy, environmental values, rights, or management activities. Source: FSC Glossary of Terms (FSC-STD-01-002, updated 19 October 2017)



Low risk

A determination, after a risk assessment, that there is negligible or insignificant risk that a material fails to meet specified criteria (legal or otherwise) when produced, sourced, or traded. Products classified as low risk do not require risk mitigation actions. Here, negligible means there is no cause for concern regarding conformance with the criterion after full assessment and, where necessary, application of appropriate mitigation measures. Source: Adapted from Requirements for sourcing FSC Controlled Wood FSC-STD-40-005 and EU Deforestation Regulation 21Dec22 text.



Management and operational activities (land use)

All on-the-ground planning and implementation within the Management Unit intended to produce forest and/or agricultural outputs and maintain the site.

Management Unit (MU)

A spatially discrete area (or aggregation of contiguous areas) within a property over which a single, coherent management system is applied. MUs are the basic planning and audit units used for sampling and performance evaluation.

Mass Balance Model

A Chain of Custody (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 proportional to the share of respective input material categories.

Material category

The classification of input and output material according to its level of conformance with the Sustainability Framework indicators. Under this Chain of Custody Standard, there are three categories: • Sustainability scope material; • Regulatory scope material; • Other material.

Meaningful consultation

Refers to a good-faith, two-way process that is timely, inclusive, culturally appropriate, and documents how stakeholder input shaped decisions. It scales with risk and size: smallholders can meet it with simple steps (identify affected neighbours/workers/communities, give clear advance notice, meet accessibly, keep brief records, offer a basic grievance channel), while large or complex companies are expected to run a formal, documented plan with stakeholder mapping, scheduled meetings (with translation as needed), a working grievance mechanism, and clear evidence that feedback changed plans.

Where Indigenous or Tribal peoples may be affected, the process must meet FPIC — consent before proceeding — per Criteria 1.1 and 2.10. Engagement with communities and traditional users must also respect legally recognised customary and community rights and protect culturally significant sites under Criteria 2.11-2.12.

Micro-undertaking

An organisation that meets all of the following criteria: • Balance sheet total under EUR 350,000; • Net annual turnover under EUR 700,000; • Average number of employees during the financial year is fewer than 10. Source: The term is adopted from Article 3 of Directive 2013/34/EU of the European Parliament and the Council



Modern slavery

Situations in which individuals are exploited for personal or commercial gain and deprived of their freedom through coercion, deception, or force. It occurs when people are: • Forced to work under threat of mental or physical harm. • Owned or controlled by an employer through abuse or the threat of abuse. • Dehumanised, treated as commodities, or bought and sold as property. • Physically constrained or subjected to restrictions on their freedom of movement. Modern slavery includes, but is not limited to, the following forms: • Forced labour – work or services performed against a person's will under threat of punishment. • Debt bondage (bonded labour) – when people work to repay a debt they cannot pay off, losing control over the conditions of their labour and the debt itself. • Human trafficking – the recruitment, transport, or harbouring of people for exploitation using violence, threats, or coercion. • Descent-based slavery – when a person is born into slavery due to the status of their ancestors. • Child slavery – the exploitation of children for others' gain, including child trafficking, use of child soldiers, child marriage, and child domestic servitude. • Forced and early marriage – when an individual is married against their will and is unable to leave the marriage; most child marriages fall under this category. The exploitation of an individual by others for personal or commercial gain, in which the person's freedom is taken away through trickery, coercion, or force. This includes, but is not limited to, human trafficking, forced labour, debt bondage, descent-based slavery, child slavery (including child trafficking, child soldiers, child marriage, and child domestic slavery), forced and early marriage, and domestic servitude. Source: Anti-Slavery International

Multi-component product

A product composed of multiple components, such as q table with a glass top and wooden frame; a chocolate bar containing cocoa, cocoa butter, sugar, and nuts.



Natural forests

Natural forests include both primary forests and naturally regenerating forests. Source: FAO FRA 2020

Naturally regenerating forest

Forest predominantly composed of trees established through natural regeneration. Explanatory notes: • Includes forests for which it is not possible to determine whether they were planted or naturally regenerated. • Includes forests with a mix of naturally regenerated native tree species and planted/seeded trees, where naturally regenerated trees are expected to make up the majority of the growing stock at stand maturity. • Includes coppice from trees originally established through natural regeneration. • 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 the sub-categories 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

Refers to product-related Seal use to indicate the certified status of final products, except when the Seal is placed directly on products or their packaging. Examples of off-product use include use on marketing materials, product catalogues, or social media in reference to the certified status of specific final products. This term is used in this document only in relation to final products.

On-product

Refers to the use of the Seal directly on Sustainability Framework-certified final products or their packaging to communicate that the products have been produced with care for people, nature, and the climate. On-product Seal use includes application on the products themselves, as well as on any packaging, labels, tags, stickers, hangtags, or other items attached to the product or its packaging. This term is used in this document only in relation to final products.

Operational activities (land use)

See: Management and operational activities (land use)

Organisation

An individual, company, or legal entity responsible for meeting the requirements of this Framework. Organisation includes all legal entities owned or directly managed by that legal entity.

Origin

The geographic source of materials, which, at a minimum, must specify the country of production/harvest, and, where applicable, the sub-national region or the 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 land

Land not classified as forest, other wooded land, agricultural land, or other natural ecosystems. Other land may or may not have trees on it. Explanatory notes: • Land use is the key criterion for distinguishing between forest and other land, with or without tree cover. • Includes built-up areas, mining sites, barren land, land under permanent ice, etc. • Includes groups of trees and scattered trees (e.g. trees outside forest) in agricultural landscapes, parks, gardens, and around buildings.

- Includes tree stands in agricultural production systems, such as fruit tree plantations/orchards.
- 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 material

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

Other natural ecosystems

Natural ecosystems other than forests that substantially resemble, in terms of species composition, structure, and ecological function, those that 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: • Includes largely "pristine" natural ecosystems not subject to major human impacts in recent history. • Includes regenerated natural ecosystems that were subject to major impacts in the past (e.g. 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. • Includes managed natural ecosystems (including many ecosystems referred to as "semi-natural") where much of the ecosystem's composition, structure, and ecological function are present. Examples include managed natural forests and native grasslands or rangelands that are, or have historically been, grazed by livestock. • Includes natural ecosystems partially degraded by anthropogenic or natural causes (e.g., harvesting, fire, climate change, invasive species) 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 through 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 not classified as plantation forest, predominantly composed of trees established through planting and/or deliberate seeding. Explanatory notes: • Predominantly means that the planted/seeded trees are expected to constitute more than 50% 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%, or trees able to reach these thresholds in situ, or with a combined cover of shrubs, bushes, and trees above 10%. Does not include land predominantly under agricultural or urban land use. Explanatory notes: • The definition has two options: - Tree canopy cover between 5% and 10%, with trees higher than 5 metres or able to reach 5 metres in situ; or - Tree canopy cover less than 5%, but combined shrub, bush, and tree cover above 10%. • Includes areas of shrubs and bushes without trees. • Includes areas with trees that will not reach 5 metres in height in situ but with a canopy cover of 10% or more (e.g. some alpine vegetation types, arid zone mangroves). Sources: EU <u>Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020</u>

Output material

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

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 subcontractor.

Ozone-depleting substances

Man-made substances that damage the stratospheric ozone layer when released into the atmosphere, reducing Earth's protection against harmful ultraviolet radiation from the sun. The



Montreal Protocol on Substances that Deplete the Ozone Layer regulates global use of these substances with the objective of phasing out their production. The protocol covers over 200 substances with 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 referred to as controlled substances. These are listed in annexes A, B, and C of the Montreal Protocol. Source: https://ozone.unep.org/treaties/montreal-protocol/articles/annex-controlled-substances



Pesticide

Any substance or mixture of substances intended to prevent, destroy, repel, or mitigate any pest. This includes herbicides, insecticides, fungicides, rodenticides, acaricides, and other agrochemicals used to control pests in agriculture, forestry, or commodity production. It also includes plant growth regulators, defoliants, desiccants, and any substance applied to crops pre- or post-harvest to protect them.

Plantation forest

A planted forest that is intensively managed and, at planting and stand maturity, meets all the following criteria: one or two species, even age class, and regular spacing. Includes short rotation plantations for wood, fibre, and energy. 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. Includes coppice from trees originally planted or seeded. Sources: EU Deforestation Regulation (EU) 2023/1115 and **FAO FRA 2020**

Plot of land

An area of land within a single real-estate property, as recognised by the laws of the country of production, which has sufficiently homogeneous conditions to allow an evaluation of the aggregate risk level 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

Pollution

The introduction or release of substances, energy (including noise, light, heat, vibration, or radiation), or biological agents into air, water, or soil that causes, or is likely to cause, harm to human health, ecosystems, biodiversity, or lawful use of the environment, including cases where applicable legal or scientifically derived limits are exceeded.

Post-consumer reclaimed material

Material 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, and which would otherwise have been discarded as waste. This excludes material 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 reused 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 ecological processes are not significantly disturbed. Explanatory notes:

- Includes both pristine and managed forests that meet the definition. Includes forests where Indigenous Peoples engage in traditional forest stewardship activities that meet the definition.
- Includes forests with visible signs of abiotic damage (e.g. storm, snow, drought, fire) and biotic damage (e.g. insects, pests, diseases). • Excludes forests where hunting, poaching, trapping, or gathering have caused significant native species loss or disturbance to ecological processes. • Key characteristics of primary forests include: - Natural forest dynamics such as natural tree species composition, the occurrence of dead wood, natural age structure, and natural regeneration processes. - Sufficient size to maintain natural ecological processes. - No known significant human intervention, or only interventions so far in the past that natural species composition and processes have re-established. Sources: EU Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020

Procedure

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

Processing

Activities involving the transformation of primary commodities or raw materials. Processing may be primary or secondary.

Producer (land use)

An individual, group, community, cooperative, or company that holds legal or customary rights, or otherwise exercises management control, over one or more plots of land and conducts primary production on that land.

Production

Primary production at the farm or forest level, such as growing crops and trees.

Product-related (Seal use)

Use of the Seal in relation to final products. Product-related use has two forms: • On-product use – the Seal applied directly to a product or its packaging. • Off-product use – the Seal used in connection with products in marketing catalogues, promotional materials, or similar contexts. This term is used exclusively in the Seal-use Policy in relation to final products.

Prohibited pesticides

Active ingredients that must not be used in any Preferred by Nature (PBN)-certified operation. These correspond to PBN's Annex A Prohibited List and meet one or more of the following criteria:

- Stockholm Convention (Persistent Organic Pollutants) listed in Annex A (Elimination) or Annex B (Restriction) of the Stockholm Convention. Reference: Stockholm Convention - All POPs listed.
- Rotterdam Convention (PIC-listed pesticides) PIC-listed pesticides that are globally banned or obsolete (i.e. not eligible for exceptional use under any international standard). Reference: Rotterdam



Convention - Annex III Pesticides (relevant banned formulations). • Montreal Protocol (Ozonedepleting substances) – listed as controlled ozone-depleting substances in Annexes A, B, C, or E of the Montreal Protocol. Reference: Montreal Protocol – Controlled substances. • Globally banned due to severe and universally recognised toxicity – active ingredients explicitly banned or classified as obsolete by FAO, UNEP, or WHO, for which no legitimate agricultural or forestry use remains. Reference: FAO International Code of Conduct on Pesticide Management; UNEP Pesticides and Waste Programme; WHO Recommended Classification of Pesticides by Hazard. Annex A of the PBN Pesticides Policy contains the current list of prohibited pesticide active ingredients identified by PBN.

Property

A single legally recognised landholding (estate, parcel, or aggregation of parcels) under common ownership, lease, or other tenure right, registered with the competent public authority. A property may comprise one or several plots of land. The official cadastral boundary constitutes the outer limit of the property for certification purposes.

Protected species

Animal or plant species granted legal protection by applicable national, sub-national, or international instruments in the places where the organisation operates or trades. Protection can prohibit or restrict killing, capture/harvest, possession, transport, trade, disturbance, or damage to nests, roosts, dens, breeding sites, or other critical habitats; it may be permanent or seasonal and can apply to specific life stages, parts, products, or derivatives. "Protected" denotes a legal status; conservation categories (e.g., IUCN listings) may inform risk but do not confer protection unless adopted into law.

Publicly available information

Information that: • Has been published or broadcast for public consumption. • Is available upon request to the public. • Is accessible online or otherwise available to the public. • Is available by subscription or purchase. • Could be seen or heard by any casual observer. • Is made available at a meeting open to the public. • Is obtained by visiting a place or attending an event open to the public.



Raw material

A basic material in its original state that is converted through manufacturing, processing, or combination into a new, typically higher-value product (e.g. cotton, timber, cocoa, rubber).

Records

Written or stored information. Records may include copies of documents or digitally stored data that can be used to demonstrate compliance with the requirements of the Sustainability Framework.

Recruitment fee

Any charge imposed on a worker or their family to obtain or retain a job — whether direct or indirect, in whole or in part, and at any stage or location — including recruiter or agent fees; costs for medical checks, training or testing; documents and legalisations; visas or work permits; travel, accommodation, relocation or repatriation; and any deductions, deposits, or illicit payments. Under ILO fair recruitment principles, such costs are prohibited and must be borne by the employer.



Regulatory Scope material

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

Remediation

A term referring to both the process of providing redress for a negative impact and the substantive outcomes that can counteract or repair the negative impact. These outcomes may take various forms, such as apologies, restitution, rehabilitation, restoration, financial or non-financial compensation, and punitive sanctions (criminal or administrative, such as fines), as well as harm prevention through measures such as injunctions or guarantees of non-repetition. In the context of the Sustainability Framework, remediation activities relate to social issues. Source: Accountability Framework definitions

Responsible recruitment

Recruitment practices that meet the following requirements: • Medical examinations are only required after a job offer has been made and where relevant to the health and safety of the individual and those around them. • Pregnancy screening or testing is never used before or after a jobseeker signs an employment agreement, except where required by law. • Recruitment-related information (including working conditions, workers' legal rights, nature of work, wages and benefits, and contract duration) and the employment contract are provided to the jobseeker in a language they understand.

• Recruitment fees or costs are not charged to jobseekers, nor are deposits for job placement services collected from jobseekers, their employers, agents, or sub-agents. • Recruitment of migrant workers includes full transparency about terms, conditions, and any employment costs, and workers are informed about applicable labour laws before giving written consent. • Charges or deductions for room and board are only applied if permitted or required by law, are consistent with market rates, and are communicated prior to contract signing. • Employment contracts specify hours of work, including regular hours, overtime requirements, and days off; comply with all legally required breaks (including for prayer); and guarantee at least one day off every seven days. • The organisation provides reasonable opportunities for employment, training, and other services to local communities, contractors, and suppliers, proportionate to the scale and intensity of its operations.

Responsible remuneration

The process of managing workers' pay and benefits in accordance with the following principles:

- Employers do not provide personal loans to workers or jobseekers under terms that could result in debt bondage or forced labour. • Employees are not required to participate in forced savings schemes unless required by law. • Employers do not avoid labour or social security obligations arising from regular employment through practices such as labour-only subcontracting, home-working arrangements, or apprenticeship schemes without genuine skill transfer or intent to provide regular employment, nor through excessive use of fixed-term contracts. • Wage calculations are transparent, equitable, and objective. For remuneration based on production, quotas, or piecework, as well as overtime, payment is specified separately. • Recognition and promotion are based on worker performance, without discrimination, with the aim of providing equal opportunities for advancement.
- Deductions from wages as a disciplinary measure are prohibited, and no deductions are made without the worker's express permission. • All disciplinary remuneration measures are recorded.



Rights holder

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



Scope (of certification)

Certification category

This glossary defines the core terms used to describe where Preferred by Nature certification applies and what it covers. Each definition is standardised so that certificate-holders, auditors and other stakeholders share a common language when drafting scope statements, planning audits and interpreting requirements. Together, these terms set clear boundaries for three certification categories — Land Use, Chain of Custody (CoC) and Due Diligence System (DDS) — ensuring that products, sites, claims and activities are consistently identified and assessed.

Definition of the scope relevant to each category

Land Use Certification	The combination of (a) Certified Area(s) and associated Management Units, (b) on-site and off-site facilities under the Certificate Holder's operational control — such as nurseries, packhouses, offices and storage sites — and (c) the set of products and claims (Sustainability or Regulatory Scope applicable to land-management operations evaluated against the Sustainability Framework.
Chain of Custody (CoC) Certification	All physical sites, business entities, processes, and product groups covered by a Preferred by Nature Chain of Custody certificate and therefore subject to the requirements of PBN-05, supported by the relevant processing indicators of the Sustainability Framework and the system requirements in PBN-02. The scope must specify the selected Chain of Custody model(s) (Segregated or Mass Balance), the authorised claims (Sustainability Scope or Regulatory Scope), and any applicable origin sub-claims (Geolocation Preserved or Origin Preserved).
Due Diligence System (DDS) Certification	The organisational boundaries within which the Certificate Holder's risk-based Due Diligence System (as defined in PBN-03) is applied and audited. This scope encompasses: (i) all sourcing suppliers and

commodities covered by the DDS; (ii) the legal entities and operational

authorised claims (Sustainability Scope or Regulatory Scope) for material

functions that generate or control risk information; and (iii) the

Seal

In the context of the Preferred by Nature Sustainability Programme, the Seal refers to the round hummingbird illustration (as shown to the right). Various colour variations are available, as detailed in the <u>Preferred by Nature Seal Graphic Guidelines</u>

managed under the DDS.





Segregation marking

The use of the Seal to clearly identify certified, non-final products within the supply chain. Segregation marking may be used internally within the organisation to help staff recognise and distinguish certified products, and in business-to-business transactions to help the next buyer in the supply chain identify such products. Segregation marking is not permitted on final products or in any way that allows it to be visible to end users.

Segregated Model

A Chain of Custody model in which all material in the chosen category is kept physically separate from all other material throughout the entire supply chain.

Site

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. Both the common name and, where applicable, the full scientific name are required for all species included in the scope of the management system.

Specified risk

A risk assessment conclusion indicating a risk that illegal or otherwise non-conforming products may enter the supply chain. In such cases, risk mitigation is required. Note: "Specified" means the level of risk for the material shows cause for concern in relation to the specific criterion after a full assessment has been conducted.

Small undertaking

An organisation meeting all of the following criteria: • Balance sheet total below EUR 4,000,000; • Net annual turnover below EUR 8,000,000; • Average number of employees during the financial year below 50. Source: The term is adopted from Article 3 of Directive 2013/34/EU of the European Parliament and the Council

Small and medium-sized enterprises (SME)

An organisation employing fewer than 250 persons, with an annual turnover below EUR 50 million, or a balance sheet total of no more than EUR 43 million. Source: The term is adopted from Article 3 of <u>Directive 2013/34/EU of the European Parliament and of the Council</u>

Source

A single, clearly defined geographical area or region where raw material is harvested or collected. Sources may be defined at various levels (e.g. country, sub-national region, farm, forest management unit, plot of land, or establishment for animals).

Source Preserved

Material originating from a single, defined Source.

Stakeholder

Any person, group, or entity that is, or is likely to be, affected by the activities of a Management Unit. Examples include local communities, Indigenous Peoples, workers, neighbours, landowners, local



processors, local businesses, tenure and use rights holders, and organisations acting on their behalf (e.g. NGOs, labour unions). Source: FSC-STD-01-001 V5-2

Sub-contractor

An external entity engaged in handling or processing products or materials covered by the Chain of Custody system, under an outsourcing agreement with the certified organisation.

Substantiated complaint

A grievance or objection raised against an organisation concerning its certification, due diligence system, or timber legality risk, supported by proof or competent, verifiable evidence.

Sub-supplier

An entity further up the supply chain supplying material to a supplier or to another sub-supplier.

Supplier

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 taken by products and the entities that take legal ownership of them from the source area where the material is harvested or produced — to the organisation that takes final ownership.

Sustainability Scope material

Material originating from, or proportionate in volume to, sources that conform to all requirements of the Preferred by Nature Sustainability Framework.

System

A combination of defined processes, instructions, procedures, software, data, communications, and other components that together work towards meeting the Sustainability Framework and other applicable normative documents.



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 direct and control an organisation at the highest level. In the context of this Standard, top management must have control over all sites, entities, and outsourced operations included within the scope.

Traceability

The ability to follow the movement and handling of a product through the supply chain from one point to another. Full traceability enables tracking from the point of harvest, rearing, or slaughter (e.g. 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 linked to information about their history, application, or location. The level of traceability can range from general (e.g. product category and supply chain entities) to highly detailed (e.g., individual product identification with visibility on every event and transaction).

Transactions database

A database that allows volume reconciliations between material sold by one organisation and purchased by the next in the supply chain. Examples include databases operated by certification schemes, internal company databases for vertically integrated operations, or databases provided by third parties. Typically digital, but may also be maintained on paper in some cases.

Tribal people

Groups in independent countries whose social, cultural, and economic conditions set them apart from other sections of the national community, and whose status is wholly or partially regulated by their own customs or traditions or by special laws or regulations. Identification rests on these characteristics — not on formal state recognition — and such groups may or may not identify as Indigenous. Source: ILO Convention 169. Where Tribal peoples are present, they are treated as rightsholders alongside Indigenous Peoples; all related safeguards in Criterion 2.10 (including FPIC) apply.



Upstream

In the supply chain context, upstream refers to the early stages of production or distribution, including activities such as raw material sourcing, manufacturing, and initial distribution to wholesalers or retailers. It represents all stages occurring before a product or service reaches the end customer. Upstream activities significantly impact the quality, cost, and availability of products downstream in the supply chain.



Waste

Any substance or object that the holder discards, intends to discard, or is required to discard. Key elements include: • The holder's intention or legal duty determines whether the material is considered waste, not necessarily its physical state. • "Discard" encompasses disposal and recovery methods such as landfilling, incineration, energy recovery, recycling, and composting. • Context-dependent: the same material may be a product at one stage (e.g., flour) and waste at another (e.g., spoiled flour discarded by a bakery). Source: <u>EU Waste Framework Directive</u>

Water bodies

Includes, but is not limited to, watercourses, rivers, streams, lagoons, springs, lakes, reservoirs, and ditches.



Worker, migrant

A person who moves from one country to another with the intention of being employed other than on their own account, including any person regularly admitted as a migrant for employment. Source: ILO Migration for Employment Convention (Revised), 1949 (No. 97)

Worker, permanent

A permanent worker is employed by an employer without a predetermined end date. This category may include various employment types and workers such as documented, undocumented, migrant workers, subcontractors' workers, outsourced workers, and those temporarily absent due to illness, parental leave, holidays, training, or industrial disputes. This applies to individuals working on farms, forests, or for group administrators who receive payment for their work.

Worker, seasonal

A seasonal worker is employed temporarily during specific times of the year and sectors (e.g., fruit pickers in agriculture). Like permanent workers, seasonal workers may include different types of employment arrangements.

Workers' rights

The fundamental rights and protections entitled to workers under national and international law. These include, but are not limited to, the right to fair wages, safe and healthy working conditions, freedom of association, collective bargaining, freedom from forced labour and child labour, nondiscrimination, reasonable working hours, access to social security, and protection against unfair dismissal or disciplinary actions.



Young worker

A person who is at or above the minimum legal age for employment — typically 15 years old, or 14 years old in certain developing countries under ILO Convention 138 — but under 18 years of age. In other words, any worker under 18 but above the age defined as a child (usually 15). Source: LO Convention 138



Annex A.

Structure of definitions:

Definitions related to forest and ecosystems degradation and conversion

This Annex contains all definitions of forests related to the Sustainability Framework and explains their relationship with other land-use types to clarify the concepts of conversion and degradation. The definitions of forest follow the subdivision outlined by the Food and Agriculture Organization (FAO) terms and definitions. In the table below, primary forest is distinguished from naturally regenerating forest as it represents a specific category of natural forest referenced in the EU Deforestation Regulation. The term natural forest is used here as a broader category that includes naturally regenerating forest, enabling a clear distinction between primary forest (as defined by the EU Deforestation Regulation) and naturally regenerating forest. The following tables illustrate these definitions and their interrelationships.

Forest	Non-Forest	Areas strictly classified as agriculture within each category

Preferred by Nature Certification

_	Natural forest	Primary fores	st generating forest
Forest	Disaste different	Plantation forest	
	Planted forest	Other plante	d forest
	Other wooded land		
	Other non-wooded land	Agricultural land	Agricultural crops
			Palms (oil, coconut, dates, etc.)
			Tree orchards (fruit, nuts, olive,
			etc.)
Non-forest			Agroforestry
Non-lorest			Trees in urban settings
			Meadows or pasture
			for livestock and other animals
		Other natura	l ecosystems
		Other land	

EU Deforestation Regulation

	Natural forest	Primary forest
Forest		Naturally regenerating forest
. 5.551	Planted forest	Plantation forest
	rianteu iorest	Other planted forest
Other wooded land (5 to 10% canopy cover)	Other wooded land	
Urban land use	Urban land use	



(trees in urban settings)		
	Agriculture	
Agricultural use (use of land for the purpose of agriculture, including for agricultural plantations and set-aside agricultural areas and for rearing	Agricultural plantations (land with tree stands in agricultural production systems)	Tree orchards (land with tree stands in agricultural production systems, such as fruit tree plantations, oil palm plantations, olive orchards) Agroforestry systems (where crops are grown under tree cover - including Agrisilvicultural, Silvipastoral and Agrosilvopastoral systems) All plantations of relevant commodities other than wood
livestock)	Set-aside agricultural	
	areas	
	Rearing livestock	
Other natural	Other natural	
ecosystems	ecosystems	

Forest Resources Assessment (FRA 2020)

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

Forest and wooded-land definitions are derived from the EU Deforestation Regulation: EU <u>Deforestation Regulation (EU) 2023/1115</u> and the Food and Agriculture Organization's Forest Resources Assessment: FAO FRA 2020.

Forests

Forest includes all the following sub-categories:

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

Land spanning more than 0.5 hectares with trees taller than 5 metres and a canopy cover exceeding 10 per cent, or with trees able to reach these thresholds in situ. This does not include land predominantly used for agriculture or urban purposes. Source: EU Deforestation Regulation (EU) 2023/1115



Natural forests

Natural forest is defined as comprising 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 ecological processes are not significantly disturbed. Explanatory notes:

- Includes both pristine and managed forests that meet the definition. Includes forests where Indigenous Peoples engage in traditional forest stewardship activities consistent with this definition.
- Includes forests with visible signs of abiotic damage (such as storms, snow, drought, fire) and biotic damage (such as insects, pests, and diseases). • Excludes forests where hunting, poaching, trapping, or gathering have caused significant loss of native species or disturbance to ecological processes.

Key characteristics of primary forests include: • Natural forest dynamics, such as native tree species composition, presence of dead wood, natural age structure, and natural regeneration processes.

• Sufficient area to maintain natural ecological processes. • No known significant human intervention, or the last significant intervention occurred long enough ago to allow natural species composition and processes to be re-established. Source: EU Deforestation Regulation (EU) 2023/1115 and FAO FRA 2020

Naturally regenerating forest

Forest predominantly composed of trees established through natural regeneration. Explanatory notes: • Includes forests where it is not possible to distinguish whether trees were planted or naturally regenerated. • Includes forests with a mixture of naturally regenerated native tree species and planted or seeded trees, where naturally regenerated trees are expected to constitute the majority of the growing stock at stand maturity. • Includes coppice originating from trees initially established through natural regeneration. • 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, at planting and stand maturity, meets all the following criteria: consists of one or two species, has an even age class, and regular spacing. It includes short rotation plantations for wood, fibre, and energy production. It excludes forests planted for protection or ecosystem restoration, as well as forests established through planting or seeding that, at stand maturity, resemble or will resemble naturally regenerating forests. Source: EU <u>Deforestation Regulation (EU) 2023/1115</u>

Planted forest

A category that includes both plantation forest and other planted forest. It consists of forests predominantly composed of trees established through planting and/or deliberate seeding, where the planted or seeded trees are expected to constitute more than 50% of the growing stock at maturity. This category also 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 that 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 taller than 5 metres and a canopy cover of 5-10 per cent, or with trees able to reach these thresholds in situ, or with a combined cover of shrubs, bushes, and trees above 10 per cent. This does not include land predominantly used for agriculture or urban purposes. Explanatory notes: Two options apply to the definition: • The canopy cover of trees is between 5 and 10 per cent; trees should be taller than 5 metres or able to reach 5 metres in situ. • 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. Includes areas of shrubs and bushes where no trees are present. Includes areas with trees that will not reach a height of 5 metres in situ but have a canopy cover of 10 per cent or more, such as some alpine tree vegetation types and arid zone mangroves. Source: EU Deforestation Regulation (EU) 2023/1115 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, those that are or would be found in a given area in the absence of major human impacts. This category also includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are maintained. Explanatory notes:

- Includes largely "pristine" natural ecosystems that have not experienced significant human impacts in recent history. • Includes regenerated natural ecosystems that were previously subject to major impacts (e.g., agriculture, livestock raising, tree plantations, intensive logging) but where the main causes of impact have ceased or greatly diminished, allowing the ecosystem to regain species composition, structure, and ecological function similar to prior or contemporary natural ecosystems.
- Includes managed natural ecosystems (often referred to as "semi-natural") where much of the ecosystem's composition, structure, and ecological function persist. Examples include managed natural forests and native grasslands or rangelands that are, or historically have been, grazed by livestock. • Includes natural ecosystems partially degraded by anthropogenic or natural causes (e.g., harvesting, fire, climate change, invasive species) 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 through management aimed at ecological restoration. Source: <u>Accountability Framework definitions</u>

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. Explanatory notes: • Land use is the primary



criterion for distinguishing between forest and other land, regardless of tree cover. • Includes built-up areas, mining sites, barren land, land under permanent ice, and similar areas. • Includes groups of trees and scattered trees outside forests, such as those found in agricultural landscapes, parks, gardens, and around buildings. • Includes tree stands within agricultural production systems, such as fruit tree plantations or orchards. • Includes agroforestry systems where crops are grown beneath tree cover, and tree plantations established primarily for purposes other than wood production, 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 as 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: EU Deforestation Regulation (EU) 2023/1115

Agricultural use

Land used for agricultural purposes, including agricultural plantations, set-aside agricultural areas, and livestock rearing. Source: EU Deforestation Regulation (EU) 2023/1115

Agroforestry

Other land with tree cover including 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: FAO FRA 2020. Note: According to the EU Deforestation Regulation (EU) 2023/1115, agroforestry systems are classified as agriculture and agricultural use.

Definitions of land cover change

Conversion

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

Forest degradation

Within the context of the EU Deforestation Regulation, forest degradation refers to structural changes in forest cover, specifically including the conversion of primary forests or naturally regenerating forests into plantation forests or other wooded land, as well as the conversion of primary forests into planted forests. Source: <u>EU Deforestation Regulation (EU) 2023/1115</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>. Within the context of the Preferred by Nature Certification, Preferred by Nature adopts a slightly broader definition. Deforestation includes the conversion of natural forest into plantation forest, other wooded land, or other land. Under this definition, deforestation is the loss of natural forest as a result of, whether human-induced or not: • Conversion to agriculture or other non-forest land use; • Conversion to plantation forest; or • Severe and sustained degradation.

Deforestation-free (synonym: no-deforestation)

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

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.

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