

# Preferred by Nature Sustainability Framework verification programme

## Introduction to requirements and verification options

Preferred by Nature has developed the [Sustainability Framework](#) and related standards & services to provide a comprehensive solution to organisations seeking to address sustainability in land management and the supply chain. The **Sustainability Framework** forms the backbone of the **Sustainability Framework Programme** and contains Preferred by Nature generic requirements for sustainability for land management and the processing industry. The programme is flexible and allows verification of land use and manufacturing practices. It is also a tool for verification of the **due diligence system** relevant for those companies sourcing products they want to ensure are sustainable. The Sustainability Framework Programme uses **different approaches** to fit the needs of different types of companies, as explained further below.

The Sustainability Framework covers a range of essential sustainability topics:



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



The Preferred by Nature Sustainability Framework offers ways for organisations to communicate about and gain recognition for progress towards meeting their sustainability commitments. Organisations may choose to focus on specific commodities or specific supply chains in their work with the Sustainability Framework. They may also choose to apply the requirements to their entire operation or start with a particular source. The claims available are adjusted to reflect the scope. Organisations verified to meet all applicable indicators of the Sustainability Framework and that compensate for the product's carbon emissions may use the **Preferred by Nature Seal** and make related off- and on-product claims.

## Performance verification approach

The Sustainability Framework Programme verification services are provided to **land managers** and **processing companies** who want to have their practices verified and who would like to buy and sell products with a Sustainability Framework claim. A land manager will be evaluated against the applicable Sustainability Framework requirements, whereas a processing company will be verified against requirements relevant for processing and manufacturing – as identified in the Framework.



The companies that want to buy and sell Sustainable-Framework-verified products with the Preferred by Nature Seal must also have a **verified Chain of Custody system** to manage claims in place. Preferred by Nature may use **commodity-specific adaptations** of the Sustainability Framework. This way, issues relevant to specific crops are included in the evaluation. For obtaining verified status, Preferred by Nature auditors will evaluate the practices and system of the candidate organisation, using the applicable Sustainability Framework requirements.

The assessment is usually conducted onsite.

In addition, risk assessments will be used to filter low-risk issues from the audit scope.

Once the company has been assessed and found to conform to all relevant requirements, a verification **certificate** will be issued. Products compliant with the Sustainability Framework and the claims and seal use requirements are eligible for the use of the **Preferred by Nature Seal**.

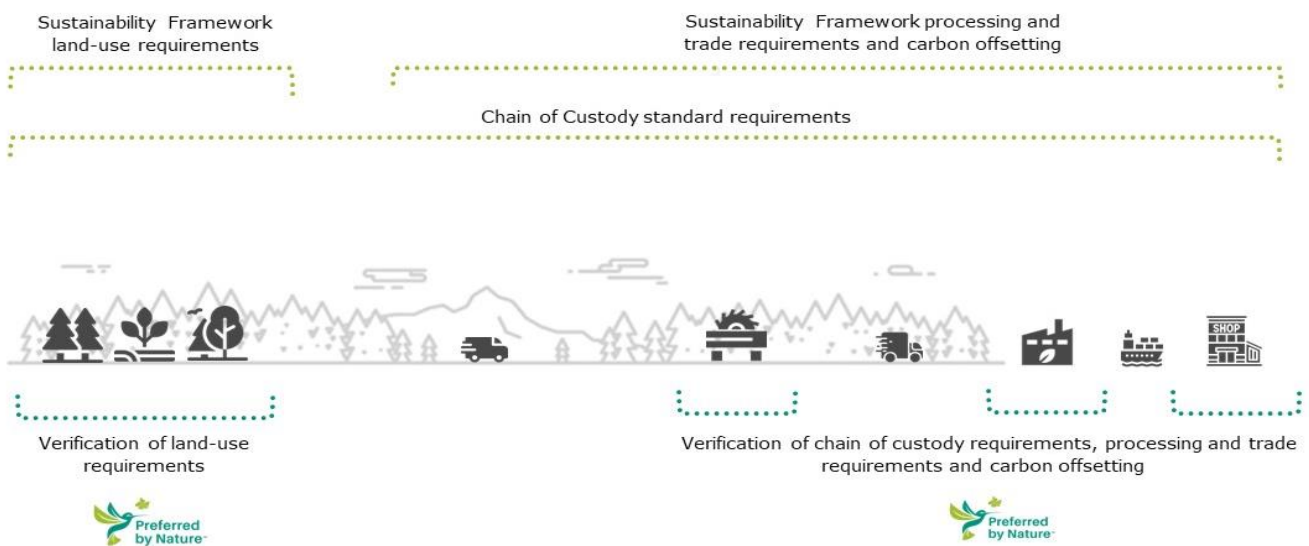


Figure1: Illustration of the requirements for the supply chain actors and associated verification conducted by Preferred by Nature

### The Sustainability Framework Programme standards and documents

**Standard SP-01 Sustainability Framework.** The Framework contains the generic requirements applicable to land managers, processors and manufacturers. The generic Framework may be adapted to specific commodities where needed. The Framework is also used as the basis for risk assessments.

**Standard SP-02 System Requirements for Land Managers.** This standard is applicable to farm or forest management operations and contains generic quality system requirements.

**Standard SP-03 Supply Chain Management and Due Diligence Requirements.** It contains requirements for downstream supply chain entities that source materials or products and apply a risk-based due diligence system to assess and mitigate risks.

**Standard SP-04 Seal Use and Claims Requirements.** It contains requirements relevant for verified companies that want to make claims about products verified as being Sustainability Framework compliance and use the Preferred by Nature Seal on- and off-product; including carbon off-setting requirements.

**Standard SP-05 CoC and Traceability Requirements.** It contains requirements for different chain of custody options used in the Sustainability Framework Programme.

**Standard SP-09 Terms and Definitions.** It contains key definitions of concepts and explains the terms used in the Sustainability Framework Programme. The terms and definitions are normative in that the contents of definitions are used in combination with the text of the Sustainability Framework.



### What about companies that are already certified?

Preferred by Nature recognises the efforts made under the existing certification schemes and certification already obtained by our clients. The Sustainability Framework can be used as a **benchmark for the existing systems** and a tool to identify issues already covered by them. When companies have already been certified against an existing certification scheme, the Sustainability Framework can be used as an **add-on to the existing certification**. In such cases, our auditors will focus only on these critical areas from the Sustainability Framework that are not covered by the existing certificates.

Preferred by Nature is benchmarking certification systems to the Sustainability Framework and will publish it on its website.

### Risk-based due diligence approach

Companies downstream in the supply chain, such as **processing facilities** or **manufacturers**, can also be verified under the Sustainability Framework Programme. In this case, they need to apply a **risk-based supply chain management system (due diligence system)** to assess and manage risks for their sources to comply with the Sustainability Framework requirements as well as ensure that carbon emissions are compensated for.

Companies can use the relevant Sustainability Framework requirements to assess risks of non-conformance at different supply chain stages, from the production at the farm or forest level to the processing entities.

See [preferredbynature.org/sourcinghub](https://preferredbynature.org/sourcinghub) for risk assessments.

At each step in the supply chain, companies must **assess and mitigate any risks** that have been identified using appropriate measures. When a business sources material that has already been certified, it will only need to address those Sustainability Framework indicators that are not covered by the certification scheme in question and only if risks have been identified relevant to those indicators.

In addition to risk assessment and mitigation, the companies that want to use the Preferred by Nature Seal on-product must ensure that **carbon emissions are compensated** for all production stages until the packaging of the final product. Once companies have implemented risk-based due diligence, Preferred by Nature can evaluate their performance using the Sustainability Framework as a benchmark.

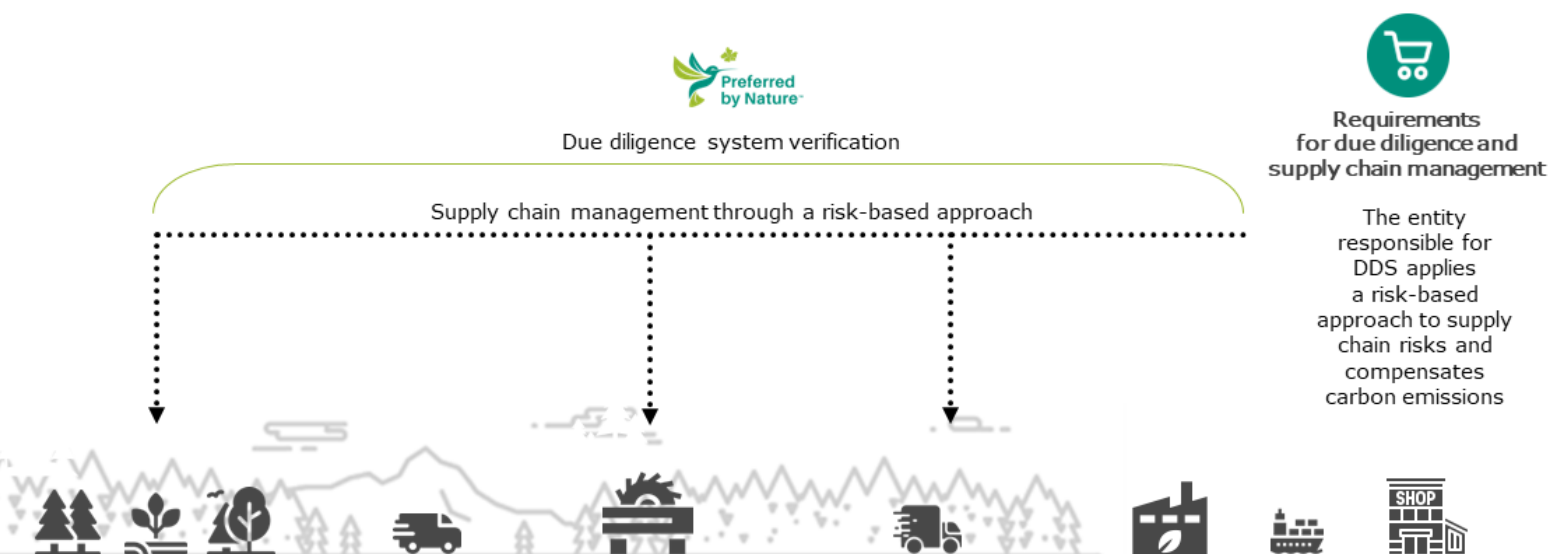


Figure 2: Illustration of the due diligence process conducted by a company and associated verification conducted by Preferred by Nature





### Auditing and verification process

Companies that choose to be verified only for their own facilities to buy and sell Sustainability Framework certified material will be audited according to relevant standards and requirements. It could, for example, be a forest manager being audited against a forest adaptation of the Sustainability Framework or a processing facility being audited against relevant processing requirements. Both entities will once verified, have the ability to sell and buy SF-certified products using a chain of custody system.

Companies implementing a Due Diligence System (DDS) will be audited to evaluate the DDS's ability to provide transparency of the supply chain and how well risks have been assessed and mitigated. When the organisation's DDS is found to be effective in

managing the supply chain in formation and risk identification & management, a verification may only be necessary at the organisation's facilities implementing the DDS. In other cases, where risks may not be well established or risk mitigation has not been implemented sufficiently, Preferred by Nature may require verification of suppliers at different stages of the supply chain, depending on the risks identified. In such situations, local Preferred by Nature auditors or experts will be used to conduct the onsite supplier audits. Once it has been verified that all risks have been identified and managed sufficiently and that the DDS has been verified against the applicable requirements, a certificate can be issued. Once the carbon emissions related to the product have been compensated for, the company will be allowed to apply the **Preferred by Nature Seal** to such products.

