



Sustainability Framework add-on

for FSC-certified supply chain companies

Objective

Preferred by Nature has reserved the use of the **hummingbird sustainability seal** for products that comply with the Sustainability Framework.

We have benchmarked the Framework with a range of existing programmes to recognise the efforts achieved under the existing certification schemes.

When organisations would like to use the Preferred by Nature seal and claim compliance with areas in the Sustainability Framework, which are not covered by the scheme, they can be verified as an **add-on** to the scheme requirements. This add-on document details the additional requirements for **supply chain companies who are purchasing Forest Stewardship Council™ (FSC™)-certified**

products and would like also to claim compliance with the Sustainability Framework.

Background

FSC-certified products have been certified to comply with different standards, depending on the type of FSC claim used on the product.

All FSC-certified forest managers have been certified based on national or regional forest management standards, aligned with FSC Principles and Criteria and International Generic Indicators. These standards regulate sustainable practices at the forest management level.

Supply chain companies have been certified according to the FSC Chain of Custody Standard, which primarily regulates issues related to claims and traceability.



Any FSC-certified company who would like to use the Preferred by Nature seal, would have to comply with the additional requirements, as far as they are applicable.



But the standard also contains some requirements related to sustainability for the **supply chain companies** producing and handling FSC-certified products.

Products sold with FSC Mix claims may contain material that has been certified to meet the requirements of the FSC Controlled Wood (CW) Standard. It may originate from FSC-CW-certified forest management operations or supply chain companies may implement a risk-based system to source materials that comply with FSC CW requirements.

The sustainability requirements of the Sustainability Framework apply to both forest managers and supply chain companies. It means that **for an FSC-certified product to be considered compliant with the Sustainability Framework:**

- The FSC-certified forest managers from whom the product originates must comply with the Sustainability framework add-on requirements for [FSC-certified forest management operations](#).
- The supply chain companies handling FSC-certified products (including your organisation) must comply with the Sustainability Framework add-on requirements for FSC-certified supply chain companies. It is detailed in this document.
- In the case of FSC Mix products, the product additionally needs to comply with Annex 1 of this Sustainability Framework add-on for FSC-certified supply chain companies. The Annex details the differences between the FSC CW standard and the Sustainability Framework.

Depending on the types of FSC-certified products handled, you can choose which add-on requirements are applicable. To demonstrate

compliance with the add-on requirements, your organisation would have to implement a due diligence system demonstrating compliance with the applicable add-on requirements.

Preferred by Nature will then verify your due diligence system, which can be planned in connection with your upcoming FSC audit or it can be done separately, depending on your preferences. We may also require conducting verification audits also at some of your suppliers depending on the risks involved and the strength of your due diligence system.

If you would like your organisation to be eligible to make Sustainability-Framework-related claims, you can notify your task manager, who will contact you to agree on the details.

Add-on indicators for FSC-certified supply chain companies

The **tables** included on the next pages of this document cover all Sustainability Framework add-on requirements that are relevant for supply chain companies handling and producing FSC-certified products and wanting to make Sustainability-Framework-related claims. These are requirements that are different from what is covered as part of the FSC Chain of Custody (COC) Standard. Please note that some requirements may not be applicable in all situations.

The requirements are presented in the context of the Sustainability Framework. However, to verify compliance in your operations, they can be included in your regular FSC audit in addition to the applicable FSC requirements. For simplicity, the tables include only those criteria in the Sustainability Framework, where there are additional requirements.

Sustainability Framework Criteria	Add-on indicators
Principle 1. Management and business practices are responsible.	
1.1. Land tenure and management rights are secure.	1.1.3. Legally required rights to operate are in place and registered according to legal requirements.
1.2. Management and operations are conducted responsibly.	1.2.7. Harvest or trade-in products do not contribute to armed conflict.
1.3. Taxes and fees are paid.	<p>1.3.1. Legal requirements for paying royalties, land/area taxes and fees are complied with.</p> <p>1.3.2. Legal requirements for payment of value-added taxes and/or other sales taxes are complied with.</p> <p>1.3.3. Legal requirements for payment of income and profit taxes are complied with.</p> <p>1.3.4. Legal requirements for payment of transport, trade and/or export taxes are complied with.</p>
1.4. Corruption and conflict of interest are avoided.	<p>1.4.1. Legal requirements relating to bribery, fraud and corruption are complied with.</p> <p>1.4.2. Payment of or accepting bribes or other forms of corruption does not take place.</p> <p>1.4.3. Business integrity is ensured by avoiding all forms of bribery and corruption.</p> <p>1.4.4. Corporate hospitality, including the exchange of gifts, is managed according to best practices, including that the hospitality:</p> <p>a) be for a legitimate business purpose, which may include developing business relationships;</p> <p>b) not include public officials from which a decision regarding any license, permit, authorisation or any other official act or decision is pending;</p>

1.4. Corruption and conflict of interest are avoided.

- c) be given in an open and transparent manner;
 - d) and not include cash, loans or cash equivalents (such as gift certificates or vouchers).
- 1.4.5.** Conflicts of interest are identified, managed and declared.
- 1.4.6.** Political contributions and campaign expenditures are publicly disclosed.

Principle 2. Peoples' well-being and human rights are respected.

2.3. Workers' rights are respected.

- 2.3.4.** Regular working hours of all workers do not exceed 48 hours per week, with at least one full day of rest for every six consecutive days worked.
- 2.3.6.** Overtime is voluntary and does not result in a work week exceeding 60 total hours, except under circumstances of shorter duration where additional labour is required.
- 2.3.12.** Where migrant workers are hired, the following are ensured, in addition to the Framework's other provisions related to human- and workers' rights:
- a) Migrant workers are legally authorised to enter, stay and engage in a remunerated activity in the area/country.
 - b) Migrant workers and their families are free to travel and leave the area/country without restrictions, except for those restrictions defined by law.
 - c) Migrant workers are ensured equality of opportunities and no less favourable treatment than local workers.

2.5. All workers are remunerated in a responsible manner.

- 2.5.1.** Legal requirements related to wages and other payments, such as social insurance, are complied with.
- 2.5.2.** The remuneration received for a standard workweek by a worker in a particular place is sufficient to afford a decent standard of living for the worker and their family.
- 2.5.3.** Wages meet or exceed minimum industry standards or other recognised industry wage standards.

2.6. Workplaces are safe and healthy.

- 2.6.3.** Indoor workplaces are hygienic with adequate lighting, temperature, ventilation, sanitation, drinking water, sanitary facilities, as well as break facilities and food storage.



<p>2.6. Workplaces are safe and healthy.</p>	<p>2.6.7. Expectant and nursing mothers are not engaged in activities that expose them to risks to their health and safety.</p> <p>2.6.8. Emergency exits, fire detection, emergency alarms and fire suppression equipment are in place, visible and in working order and workers are competent to handle equipment and react to emergencies.</p> <p>2.6.9. Workers have access to appropriate first-aid equipment, as well as medical services in case of emergencies.</p>
<p>2.7. Employer-provided housing is safe and hygienic.</p>	<p>2.7.1. Legal requirements related to the housing of workers are complied with.</p> <p>2.7.2. Housing is offered to workers if no affordable or safe accommodation is otherwise available, especially in remote locations where commuting is not a viable option or where workers are expected to stay within the premises for an extended period.</p> <p>2.7.3. If workers pay for employer-provided housing, the cost of housing is commensurate with the pay and comparable to similar housing in the area/industry.</p> <p>2.7.4. Employer-provided housing is safe and hygienic.</p> <p>2.7.5. Employer-provided housing has functioning emergency exits and first-aid supplies, fire detection and suppression equipment are in place and in working order and workers are competent to handle equipment in case of emergencies.</p> <p>2.7.6. Where workers and their families live in employer-provided housing, the employer ensures that they have access to medical, educational social services.</p>
<p>2.8. Gender equality is maintained and protected.</p>	<p>2.8.4. Legal requirements related to maternity leave are complied with.</p> <p>2.8.5. Pregnant women who are permanent workers shall have four weeks of maternity leave, with pay or access to similar income.</p>
<p>2.10. Community rights are respected.</p>	<p>2.10.1. Reasonable opportunities for employment, training and other services are made available to local communities.</p>



Principle 3. Nature and the environment are protected.

3.3. Chemicals are used cautiously with minimal negative impacts.

3.3.1. Legal requirements relating to chemical use and storage are complied with.

3.4. Waste is reduced and managed appropriately.

3.4.1. Legal requirements relating to waste management are complied with.

3.4.2. Wastewater from operations is not discharged into the surrounding environment, including aquatic ecosystems, unless it has undergone treatment to reach a safe level.

3.4.3. Untreated sewage is properly disposed of to avoid negative effects on the surrounding environment, including aquatic resources.

3.4.4. Waste storage, treatment and disposal practices do not pose health or safety risks to people or natural ecosystems.

3.4.5. Waste is not burned, except in incinerators technically designed for the specific waste type.

3.4.6. Waste is managed to ensure reduction, recycling, reusing and safe disposal based on the toxicity of the materials.

Principle 4. Climate impacts are reduced and mitigated.

4.1. Significant greenhouse gas emission sources are identified, considering management practices, land-use change, livestock, energy, sourcing and use of materials.

4.1.1. Significant greenhouse gas emission sources are identified, considering management practices, land-use change, energy, sourcing and use of materials.

4.1.4. Efforts are taken to reduce the emission of greenhouse gases resulting from activities, meeting at minimum the industry sector best practices and considering the best available technology.

4.1.6. If offsetting is used, the carbon credits are from carbon projects independently verified against credible carbon offsetting standards representing genuine, additional and permanent reductions and avoiding leakage and double counting.

4.1.7. If applicable, national and/or international regulations concerning emission reduction targets for relevant climate change factors and actions are complied with.

Annex 1. Add-on indicators for FSC Mix products

The table below includes add-on indicators that are additionally applicable for FSC Mix products. These are requirements, which are different from what is covered as part of the FSC Controlled Wood (CW) Standard. We have used the FSC-STD-40-005 as the basis for the CW. Please note that some requirements may not be applicable in all situations.

Sustainability Framework Criteria	Add-on indicators
Principle 2. Peoples' well-being and human rights are respected	
<p>2.3. Workers' rights are respected.</p>	<p>2.3.4. Regular working hours of all workers shall not exceed 48 hours per week, with at least one full day of rest for every six consecutive days worked.</p> <p>2.3.6. Overtime is voluntary and does not result in a work week exceeding 60 total hours, except under circumstances of shorter duration where additional labour is required.</p> <p>2.3.12. Where migrant workers are hired, the following are ensured, in addition to the Framework's other provisions related to human- and workers' rights:</p> <ul style="list-style-type: none"> a) Migrant workers are legally authorised to enter, stay and engage in a remunerated activity in the area/country. b) Migrant workers and their families are free to travel and leave the area/country without restrictions, except for those restrictions defined by law. c) Migrant workers are ensured equality of opportunities and no less favourable treatment than local workers.
<p>2.7. Employer-provided housing is safe and hygienic.</p>	<p>2.7.1. Legal requirements related to the housing of workers are complied with.</p> <p>2.7.2. Housing is offered to workers if no affordable or safe accommodation is otherwise available, especially in remote locations where commuting is not a viable option or where workers are expected to stay within the premises for an extended period.</p> <p>2.7.3. If workers pay for employer-provided housing, the cost of housing is commensurate with the pay and comparable to similar housing in the area/industry.</p> <p>2.7.4. Employer-provided housing is safe and hygienic.</p> <p>2.7.5. Employer-provided housing has functioning emergency exits and first-aid supplies, fire detection and suppression equipment are in place and in working order and workers are competent to handle equipment in case of emergencies.</p>



2.7. Employer-provided housing is safe and hygienic.

2.7.6. Where workers, and their families, live in employer-provided housing, the employer ensures that they have access to medical, educational, social services.

Principle 3. Nature and the environment are protected.

3.1. Natural forests or other natural ecosystems are protected from degradation and conversion.

3.1.2. Where conversion of natural forests or other natural ecosystems has taken place within the last ten years, restoration activities are implemented to compensate for past ecosystem loss in line with the Preferred by Nature Restoration Standard.

3.1.3. There has been no deforestation or forest degradation after 31 December 2020.

Principle 4. Climate impacts are reduced and mitigated.

4.1. Greenhouse gas emissions are reduced.

4.1.1. Significant greenhouse gas emission sources are identified, considering management practices, land-use change, energy, sourcing and use of materials.

4.1.2. Efforts are taken to reduce the emission of greenhouse gases resulting from activities, meeting at minimum the industry sector best practices and considering the best available technology.

4.1.3. Where applicable, the amount of soil carbon is maintained or increased over the long term.

4.1.4. If offsetting is used, the carbon credits are from carbon projects independently verified against credible carbon offsetting standards representing genuine, additional and permanent reductions and avoiding leakage and double counting.

4.1.5. If applicable, national and/or international regulations concerning emission reduction targets for relevant climate change factors and actions are complied with.

4.2. Climate change adaptation efforts are implemented proportionately to the risk.

4.2.1. The key risks for operations resulting or potentially resulting from climate change are identified.

4.2.2. Measures for climate change adaptation are implemented for areas of high risk and proportionate to the scale of the operations and anticipated social, economic and environmental impacts.