

Impartiality Policy

1 Objective and Scope

Preferred by Nature is a mission-driven organisation committed to support better land management and business practices that benefit people, nature and the climate. We do not design, manufacture, distribute or install any products, processes, or services that we certify. This policy ensures our commitment to independence, impartiality, and transparency in all our activities, aiming to make fair and unbiased decisions.

We maintain additional policies related to impartiality management, including Anti-Corruption, Whistleblower, Donations and Open Source Policies, available on our website.

1.1 Our Structure

Preferred by Nature organisational structure comprises the following divisions:

- **Assurance:** Providing certification, verification, and validation/verification services in line with accredited standards, with all certification decisions made by the Assurance staff.
- Tailored Services: Offering client advisory services, supply chain risk assessment.
- Strategic Projects: Developing and managing donor funded projects that are not targeted for any certain organisation but result in new tools to facilitate better practices for the sector or industry.
- Strategy and Innovation: Developing new services and administering training courses.

Preferred by Nature maintains legal and financial separation between our various activity areas to ensure impartiality.

1.2 Impartiality Principles

1.2.1 We identify, document, and mitigate risks to impartiality on an ongoing basis.

1.2.2 All employees must act impartially and not allow commercial, financial or other pressures to compromise impartiality.

1.2.3 Impartiality oversight is conducted internally by the <u>Impartiality Committee</u> which meets at least annually, and externally by third-party accreditation bodies.

1.2.4 We do not offer services that prepare organisations for certification in external schemes where we are the certifying body. Preferred by Nature's non-certification services are not intended to be used as direct evidence of conformity with certification standards. Unless it is allowed by certification scheme requirements, for external certification schemes where Preferred by Nature is an accredited certification body we do not:

- develop company procedures or management systems to meet certification requirements;
- help address nonconformities issued against certification standards;
- conduct internal audits which are required by the company as evidence for certification;
- conduct supplier or subcontractor verification which is required by the company as evidence for certification; and
- conduct trainings that provide company-specific solutions/instructions on certification requirements. We train only on generic information that is publicly available to certified companies and applicants for certification. We do not offer FSC trainings one-on-one with FSC-certified organisations or applicants.

1.2.5 We assess and mitigate any potential conflicts of interest before engaging with a new certification applicant/client.



1.2.6 Publicly funded projects are kept separate from fee-based activities to maintain impartiality. The following mitigation measures are implemented to ensure transparency and safeguard the impartiality of our project work:

- a) Commercial activities and publicly funded project work are managed separately within internal database and financial systems.
- b) Tools and publications developed are made publicly available for any interested stakeholders following Open-Source principles. Preferred by Nature publishes on our website the list of projects we are engaged in, and where possible publishes project outputs.

1.2.7 We may provide information about consultancy organisations but do not imply that certification is easier or faster when using a specific consultancy organisation.

We shall not:

- a) Have any agreements with or engage in financial or contractual arrangements with a consultancy organisation or consulting company ('consultants') in which (a) we remunerate the consultant if the consultant recommends a client to Preferred by Nature; or (b) conversely, the consultant pays us for a recommendation of the consultant to the client;
- b) Engage any consultants to act as sales agents for us.

1.2.8 We offer various generic templates publicly according to our Open Source policy. These templates do not provide company-specific solutions and do not guarantee conformity with certification requirements.

1.2.9 Auditors, certification decision-makers and dispute resolution staff cannot be assigned relevant client-related tasks if they worked at or provided consultancy to the client within the previous three years. All past relationships will be evaluated on a case-by-case basis and the person will not be assigned to these roles if any conflicts of interest still exist (even after three years have passed).