

Preferred by Nature Carbon Footprint Management Support and Verification Programme

Manage your carbon footprint

Take strategic action to manage the carbon footprint of your organisation or product. Preferred by Nature Carbon Footprint Management (CFM) Support and Verification Programme is developed to help any organisations seeking to implement credible and responsible climate actions.

Manage your carbon footprint

Management of carbon footprint for organisation, product, or event, can be a challenging task. The required level of effort depends on your specific situation and the complexity of your operations, product range, or supply chains.

We have an integrated support and verification programme that will help you to manage your carbon footprint effectively and gain rewards through public claims if desired.

Preferred by Nature CFM Support and Verification Programme is aligned with internationally recognised standards such as the Greenhouse Gases (GHG) Protocol, Publicly Available Specification (PAS) standards and International Organisation for Standardisation (ISO) 14064. It is designed to allow your organisation to systematically manage your carbon footprint, realise GHG reductions and targets, and navigate credible carbon offsetting options.

Global solution tailored to your needs

Our CFM Programme takes a value-added approach towards supporting customers. Unlike traditional

certification services, we aim to work more closely with companies seeking to reduce their climate impacts.

Based on your needs, we can provide a range of services to help guide you through the CFM process and achieve your climate goals. Our service portfolio includes tailored trainings matching your business and activities, advisory functions concerning implementation of carbon CFM activities, support with carbon footprint calculations and data identification, as well as CFM verification. As our client, you will be assisted to determine which services are most suitable, considering your in-house expertise and ambitions.

Specific service areas

- Capacity building and trainings
- Tailored evaluation of carbon footprint calculation tools, products, or entities
- CFM Verification for corporate, product, service
 or event
- Life cycle assessment of products and services



Why choosing Preferred by Nature Carbon Footprint Management Programme?

- Expert support to establish and apply a carbon management system
- A wide range of services focusing on your needs and engagement
- Third-party evaluation that inspires confidence among your customers and stakeholders
- Use of claims and labels upon successful verification
 Global solution with representatives across many regions





Capacity building and advisory services

Building the competencies of your staff helps you better understand the opportunities and challenges related to carbon footprint management and ensure a credible transparent system is in place. Our team provides the knowledge and skills your staff requires to secure appropriate carbon footprint calculations and reductions. This includes understanding the applicable requirements of your business and our CFM Standard, calculation methods, emission factors, and use of carbon footprint tools.

We offer a wide range of advisory services including guidance to help your organisation reach carbon neutrality, on the selection of appropriate credible carbon offset projects, identifying relevant insetting projects, or on developing appropriate reduction targets strategies for the organisation or product.



Preferred by Nature Carbon Footprint Management (CFM) Verification

If your aim is to manage and reduce your carbon footprint on a continuous basis and you would like to use public claims to communicate your efforts, you may choose to join our verification programme. This option verifies your corporate, product, service, or event footprints to the Preferred by Nature Carbon Footprint Management Standard. It allows you to communicate your actions through the use of on- and off-product claims and logos. For continued use of the claims, an annual verification audit will be required.



Tailored evaluations

If you are interested in verification with a specific scope, such as validation of carbon emissions connected with your product, supply chain, event, or organisation or even to evaluate a specific carbon footprint calculation tool, we can provide the sufficient level of support and third-party expertise. Although this type of service does not allow you to use our verified claims or trademarks, your business can still gain the assurance that your reported emissions are appropriate, complete, and credible.

Life cycle assessment of products and services focused on GHG emissions

We provide insights to help you calculate and manage the climate impacts of products and services. Our integrative approach to life cycle greenhouse gas emissions includes support to identify organisational goals aligned with global LCA best practices, collecting data, and reporting on and reviewing your CFM system. LCA tools can be leveraged to support supply chain decision-making, compliance reporting, as well as facility and supplier management.

Managing conflict of interest

While the aim of the Preferred by Nature CFM Programme is to support your carbon management efforts and to help you achieve climate objectives, we want to ensure that our verification is still credible. We have thus defined specific types of support that we are not offering. This includes developing your internal procedures; development of your carbon footprint management plan; establishing reduction plans and targets, or completing templates, including carbon footprint data on your behalf.

Contact us

For more information:



László Szoboszlai Senior Carbon Footprint Specialist Iszoboszlai@preferredbynature.org +46 73 081 88 94





The certification process in brief:



Once we receive your request for information, our team will contact you and send the application form.

Based on the information you shared, we will provide you with a pricing proposal. Following its approval, we will assign a contact person to follow up and arrange the audits.



After accepting the proposal and signing the <u>Service Agreement</u>, you need to develop a carbon management plan following the 6 sections of the Preferred by Nature CFM Standard.

We offer training and guidance to enhance your comprehension of our standard and CFM best practices. Before verification, the review of your plan, data collection, calculations, and reduction strategy are done by us, to help you prepare for the assessment.



An assessment will be conducted on the agreed dates to check your compliance with the CFM Standard requirements. It is done either on-site, partially remote or 100% remote. This phase is primarily carried out through document reviews and staff interviews.



Once the field audit process is closed, the audit team will prepare a formal audit report and after an internal review, it will be sent for your review. Prior to report completion, you may raise any comments or questions you may have involving its contents.



If the audit outcome is positive, a certification decision is made, and your certificate is issued. The CFM certificate remains valid for 5 years, providing that you pass annual audits.

Benefits you will gain:

Our CFM Standard as well as our value-added services can provide several benefits to your business. While reducing GHG emissions helps mitigate climate change, other advantages may emerge along the way, enhancing your climate actions and opening new strategic pathways. Some of the benefits are:



- Strengthen your reporting and disclosures
- 💋 Gain insight into your value chain
- Demonstrate credibility
- Enhance your brand image
- Prepare for a sustainable future

Service with experience

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 in 100+ countries. We do this by supporting other organisations and businesses to take responsible approaches.

We constantly seek to improve the systems that we work with. With almost 30 years of experience, we have certified and verified various organisations and businesses against international sustainability standards. For more information, please visit www.preferredbynature.org





Carbon Footprint Management Q&As

Which certification standards apply to my company?

The Carbon Footprint Management (CFM) Standard Version 2.0 is applicable to any organisation that would like to reduce their climate impact by developing and implementing a carbon footprint management plan. It targets organisations wishing to reduce their carbon footprint or reach carbon neutrality through a combination of emissions reductions and carbon *offsetting* and/or *insetting*. The standard can be used for the following scopes:

Corporate Carbon Footprint: The scope of the Corporate Carbon Footprint covers the legal entities or relevant holding companies included in the organisational scope.

Product Carbon Footprint: The scope of the Product Carbon Footprint covers the materials and services produced or delivered. The scope includes the product life cycle as defined by the certificate holder.

Event Carbon Footprint: The scope of the Event Carbon Footprint includes the event life cycle and is applicable for a single event or recurring events.

What is the cost structure?

The cost varies depending on the size and complexity of the business. The price quote you receive will cover assessment costs (for first-year evaluation) and audit costs (for subsequent annual evaluations) covering all regular services related to the verification evaluation, including client communication and planning; document review; on-site evaluation and follow-up; report preparation and decision review. These costs also include administrative fee charges for management of any databases and public information, and, where applicable, maintenance of our accreditation status.

Which claims and trademarks can I use?

Businesses verified to the CFM Standard demonstrate a commitment to reducing their footprint and have the option of using the Preferred by Nature labels and eligible claims.

What about confidentiality?

We use secure systems, and we keep your information safe and confidential. However, basic information about CFM certificates is publicly available. In addition, public summaries, excluding confidential information, of the CFM audit, will be visible on our website.

How do I maintain my certificate?

You need to comply with the certification requirements to remain certified. This is verified through annual audits. You must address any non-compliances found. Non-compliances are graded as major or minor. We will normally verify your compliance with minor issues during the next annual audit. Minor non-compliances that are inadequately addressed are upgraded to major.

You must address major non-compliances within a maximum of three months, requiring an additional audit. Failure to address major non-compliances will lead to suspension of your certificate. In cases of serious non-compliance, the certificate may be immediately suspended. Note: A suspended certificate can be re-instated once you have addressed the issues.

What is the validity of my certification?

The Carbon Footprint Management Certificate is valid for five years. Annual audits during the validity period are required to maintain certification. Once the validity period ends, you need to undergo a re-assessment to renew your certificate.

How do I maintain my certificate?

You need to comply with the certification requirements to remain certified. It is verified through annual audits. Preferred by Nature helps you stay up to speed on the requirements by providing regular updates on system changes. If nonconformities are identified in your system, you must take appropriate and effective action to address these.

After completing an entire certificate validity period, you must undergo a reassessment (a new full assessment) to remain certified. If the reassessment results are positive, a new certificate is issued, including the same certificate registration code as in your previous certificate.





Please note that the reassessments cannot be delayed and must take place before the anniversary date of your certificate issuance; otherwise, your certificate will be automatically terminated.

When can certification be refused?

Certification is refused when Preferred by Nature concludes that the audited company does not meet the standard's requirements.

When is certification suspended?

Your certification may be suspended for the following reasons: 1. one or more nonconformities are found during an audit, 2. five or more major nonconformities are found during an annual audit, 3. failure to address one or more major/critical nonconformities by the specified timeline, 4. serious breaches of the certification requirements, 5. lack of payment of applicable fees and invoices, 6. lack of willingness to plan and undergo scheduled audits, 7. Force Majeure (e.g. natural disasters that affect the destination, the political unrest that forces to operation shut down, etc.) situation.

A suspended certificate may be reinstated when the company has addressed the issues that led to the suspension, and we have conducted an audit verifying compliance within the required timeline.

When is certification terminated?

Your certificate may be terminated for the following reasons: 1. failure to sufficiently address the issues leading to suspension within twelve months, 2. deliberate fraud or serious breaches of the certification requirements, and 3. failure to undergo reassessment once the suspension period has reached its deadline.

If a certificate has been terminated, the company needs to undergo a renewed assessment to have a new certificate issued. It is not possible to reinstate the previous certificate.

After a certificate has been suspended or terminated, the company may not make any claims about conformance with the certification standard(s) and may not sell previously labelled products until certification trademarks are removed.

Can I change the scope of the certification?

As a certificate holder, you may expand or change the scope of your certification in conjunction with your annual audit or in between audits. An additional audit is usually required for scope changes outside the scheduled annual/certification audits. Depending on the nature of the change, it may be either an on-site or/and desk audit.



What are the rights and duties of applicants and clients?

Clients' rights and duties are referred to in the <u>Certification Agreement.</u>

What is the procedure for complaints and appeals?

Disputes are divided into two broad categories: complaints and appeals. For complaints management, all complaints and appeals will be processed using the <u>Preferred by Nature's Disputes Resolution Policy</u>.

What information is provided to third parties?

To check the organisation's compliance with the Standards set in evaluation schemes, including the SRP certification, auditors and certification scheme owners will need access to confidential information. For information provided to third parties, please refer to the <u>Certification Agreement</u>.