

Sustainability Standard Setting Bodies

Relevant Green Bond Market Information on Sustainability Standards Form¹

Forms filled in by standard setters should be sent back to greenbonds@icmagroup.org, for publication on the [Green Bond Principles Resource Centre](#).

Section 1. Basic Information

Organization name: PEFC International

Name of sustainability standard:² *[specify as appropriate]*

Sustainable Forest Management – Requirements (PEFC ST 1003:2018)

Chain of Custody of Forest and Tree Based Products – Requirements (PEFC ST 2002:2020)

Completion date of this form: 5 July 2023

Publication date of the standard: *[where appropriate, specify if it is an update and add reference to earlier relevant standard]*

Sustainable Forest Management – Requirements (PEFC ST 1003:2018): published 28 November 2018

Chain of Custody of Forest and Tree Based Products – Requirements (PEFC ST 2002:2020): published 14 January 2020

Section 2. Detailed review

Standard setters are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

¹ The Form follows the characterisations of Environmental Labelling and Information Schemes as set out in OECD Environment Working Papers No.62 – A characterisation of Environmental Labelling and Information Schemes

² Use separate forms for each standard if multiple standards are set by the same standard setting body and the criteria of those standards differ significantly from one another

1. Green Bond Principles (GBP) project categories relevant to the standard

Overall comment on section (if applicable):

GBP³ Project categories that the standard applies to (for additional information on the GBP see appendix 1):

- | | |
|--|---|
| <input type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input checked="" type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| | <input checked="" type="checkbox"/> Other (please specify): |

If applicable please specify the environmental taxonomy or category, if other than GBPs:
Trees outside forests, agroforestry (PEFC ST 1003:2018 Appendix 2)

2. Alignment with relevant international targets, thresholds and guidelines for sustainability

Please explain how alignment with international targets, thresholds and guidelines for sustainability are built into your governance frameworks and standard setting process. A non-exhaustive list of examples includes: ISEAL code compliant, alignment with EU Taxonomy for sustainable activities, Paris Climate Agreement, UN Global Compact, etc.

Please explain (if applicable):

Alignment with

ISEAL Code of Good Practice for Setting Social and Environmental Standards of management systems
EU Taxonomy
Paris Climate Agreement
European Union Timber Regulation (EUTR)
UN Sustainable Development Goals (official indicator for progress towards Target 15.2)
United Nations Declaration on the Rights of Indigenous Peoples, 2007

³ <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

United Nations Universal Declaration of Human Rights, 1948
 CITES, Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973, as amended
 ILO Code of Good Practice: Safety and Health in Forestry Work
 ILO No. 87, Freedom of Association and Protection of the Right to Organise Convention, 1948
 ILO No. 29, Forced Labour Convention, 1930 ILO No. 98, Right to Organise and Collective Bargaining Convention, 1949
 ILO No. 100, Equal Remuneration Convention, 1951
 ILO No. 105, Abolition of Forced Labour Convention, 1957
 ILO No. 111, Discrimination (Employment and Occupation) Convention, 1958
 ILO No. 138, Minimum Age Convention, 1973 ILO No. 169, Indigenous and Tribal Peoples Convention, 1989
 ILO No. 182, Worst Forms of Child Labour Convention, 1999

The following documents are normative references

CITES, Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973, as amended
 ILO Code of Good Practice: Safety and Health in Forestry Work
 ILO No. 87, Freedom of Association and Protection of the Right to Organise Convention, 1948
 ILO No. 29, Forced Labour Convention, 1930
 ILO No. 98, Right to Organise and Collective Bargaining Convention, 1949
 ILO No. 100, Equal Remuneration Convention, 1951
 ILO No. 105, Abolition of Forced Labour Convention, 1957
 ILO No. 111, Discrimination (Employment and Occupation) Convention, 1958
 ILO No. 138, Minimum Age Convention, 1973
 ILO No. 169, Indigenous and Tribal Peoples Convention, 1989
 ILO No. 182, Worst Forms of Child Labour Convention, 1999
 ISO/IEC 17021-1, Conformity assessment — Requirements for bodies providing audit and certification of management systems — Part 1: Requirements
 ISO/IEC Guide 2, Standardization and related activities – General vocabulary.
 ISO/IEC Guide 59, Code of good practice for standardization.
 ISO 9000, Quality management systems – Fundamentals and vocabulary
 ISO 14020, Environmental labels and declarations – General principles
 ISO 14021, Environmental labels and declarations – Self-declared environmental claims (Type II environmental labelling)
 ISO 19011, Guidelines for auditing management systems Page 3 of 8 ISO/IEC 17065, Conformity assessment – Requirements for bodies certifying products, processes and services
 Stockholm Convention on Persistent Organic Pollutants (POPs) as amended in 2009
 United Nations, Agenda 21, 1992
 United Nations, United Nations Declaration on the Rights of Indigenous Peoples, 2007
 United Nations, Universal Declaration of Human Rights, 1948

3. Main Characteristics (please choose all options that apply to the standard)

Governance

a. Leadership or ownership (What type of institution runs the standard?)

- | | |
|--|---|
| <input type="checkbox"/> For-profit | <input type="checkbox"/> Public |
| <input checked="" type="checkbox"/> Non-profit | <input type="checkbox"/> Hybrid (please provide more details below) |
| <input checked="" type="checkbox"/> Non-governmental | <input checked="" type="checkbox"/> Membership based |

Multistakeholder

Other (*please specify*):

b. Standard scheme management

The scheme owner has a sustainability-oriented mission or vision

The scheme owner has defined and makes publicly available its desired long-term sustainability impacts and strategy for achieving those impacts

Stakeholders have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system

On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts and accurately and publicly communicates the results

The scheme owner applies adaptive management by using the learning from monitoring and evaluation to improve its standard and supporting strategies

The scheme owner carries out internal or external audits of its management system and operations at least annually and incorporates the findings

The scheme owner makes information on the governance structure and income sources or financing structure of the scheme publicly available

Stakeholders have the possibility to participate in or provide formal input on the governance of the scheme

The scheme is registered under ISEAL membership

c. Standard-setting characteristics

Documented procedures for the process under which each standard is developed or revised form the basis of the standard setting process

Documented procedures for the process under which each standard is developed or revised shall be made available to stakeholders, at a minimum through the organisation's website

A regular review of the standard setting procedures is conducted (at least every 5 years)

A regular review of the standard is conducted (at least every 5 years)

Participation in governance bodies making decisions on the content of the standard are constituted by a balance of key stakeholders

Participation in governance bodies making decisions on the content of the standard are open to all stakeholders

Participation in governance bodies making decisions on the content of the standard are limited to members, but the procedure for becoming a member is transparent and non-discriminatory

Other (*Please specify*):

Sustainability Claims and Communications

a. Communication Channel *(Who is using the standard to communicate, and who is the target of that communication?)*

Communication from:

- Business (excluding financial institutions)
- Government
- Bank
- Insurance Company
- Development Bank
- Investor
- Asset owner (e.g. Building)
- NGO
- Other *(please specify):*

Forest owners

End users (retailers, multinational companies)

Forest sector

Communication to:

- Business (excluding financial institutions)
- Government
- Bank
- Insurance Company
- Development Bank
- Investor
- Asset manager (e.g. Building)
- Consumer
- Other *(please specify):*

b. Means of communication *(What is the mode of communication to the target audience?)*

- Seal (logo)
- Declaration
- Certificate

- Trademark
- Exception
- Other *(please specify):*

c. Communication scope *(What activities are covered by the communication?)*

- Agriculture and food
- Furniture
- Timber forest products
- Non-timber forest products (rubber, cork, bamboo)
- Paper, packaging
- Cleaning products
- Biofuels
- Electronics
- Cosmetics
- Building materials
- Waste
- Ecosystem Services

- Textile products
- Energy
- Transportation
- Tourism
- Transportation
- Tourism
- Luxury Products
- Sustainable Sites & Locations
- Water
- Indoor Air Quality/Health
- Other *(please specify):*

Standard Characteristics

a. Monitoring and auditing⁴ *(Who has the ability to determine whether the standard is met and what degree of independence exists?)*

Standard setter

External certifier

Self-assessment

Second party verifier

⁴ Whom has the ability to determine whether the standard is applied?

Accredited third party certifier/verifier

Other (please specify):

b. Adoption of the standard (To what extent are relevant organizations required to apply the standard?)

Voluntary

Mandatory (please explain):

Other (please specify):

c. Sustainability characteristics

Environmental outcomes are clearly and explicitly defined in the standards

The standard exceeds regulatory requirements

The standard references relevant, existing national and/or international laws and regulations

Other (please specify):

d. Transparency (To what extent is relevant information publicly available?)

Final versions of the standard available to the public

Draft version of the standard available to the public

Public disclosure on standard setting process

Public disclosure on assessments of compliance with the standard

Public disclosure of compliance by standard user

Public disclosure on those complying with the standard (organizations and the level/type of compliance achieved)

Final versions of the standard in additional languages are available to the public

Other (please specify):

e. Methods of environmental assessment (How comprehensive is the standard in accounting for environmental impact?)

Life cycle approach (please specify which environmental goals)

Operating/process/practice approach (please specify which environmental goals):

Performance based or impact approach (please specify which environmental goals)

Other (please specify method and which environmental goals it applies to):

Please explain any requirements to embed mechanisms/tools for future reporting, requirements to report on selected criteria and reporting scope, as well as the environmental goals being assessed:

The standard requires that forest management shall comprise the cycle of inventory and planning, implementation, monitoring and evaluation, and shall include an appropriate assessment of the social, environmental and economic impacts of forest management practices. This shall form a basis for a cycle of continuous improvement. The assessment looks at the six operational criteria:

Criterion 1: Maintenance or appropriate enhancement of forest resources and their contribution to the global carbon cycle
 Criterion 2: Maintenance of forest ecosystem health and vitality
 Criterion 3: Maintenance and encouragement of productive functions of forests (wood and non-wood)
 Criterion 4: Maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems
 Criterion 5: Maintenance or appropriate enhancement of protective functions in forest management (notably soil and water)
 Criterion 6: Maintenance or appropriate enhancement of socio-economic functions and conditions

f. Resolving complaints

The standard-setting organization shall make impartial and documented efforts to resolve procedural complaints related to standard-setting, based on a publicly document complaints resolution mechanism

The standard-setting organization shall disclose, at least to interested parties, decisions taken on procedural complaints

Other (*please specify*):

g. Standard focus (*To what type of processes do the standards apply?*)

Product related process and production methods (*please specify*):

Non product related processes and production methods (*please specify*):

Services (*please specify*):

Other (*please specify*):

h. Standard scope:

International

Regional

National

Jurisdictional

Other (*Please specify*):

i. Activities beyond certification:

Platform for discussion and collaboration amongst members and certified entities

Platform for discussion and collaboration amongst other standards addressing the same sector/activity/topic

4. Alignment with Sustainable Development Goals (please choose all options that apply to the standard)

Overall comment on section (*please rank the SDGs by level of contribution of the standard and specify the scale of contribution to each of the relevant SDGs*):

- SDG 15
- SDG 13
- SDG 6
- SDG 12
- SDG 7
- SDG 17
- SDG 11
- SDG 8
- SDG 3
- SDG 4
- SDG 16
- SDG 2
- SDG 1
- SDG 5
- SDG 10
- SDG 9
- SDG 14

No part of this Standard Setters Feedback Form, nor the fact of its reference in any other document, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. No representation or warranties, express or implied, are made as to, and no reliance, in whole or in part, should be placed on, the accuracy, fairness or completeness of the information presented or contained in this Form and such information has not been independently verified. This Form does not constitute a prospectus, placement document or other offering document in whole or in part. The information contained herein does not constitute an offer to sell, or a solicitation of an offer to buy, any Securities by any person in any jurisdiction in which it is unlawful for such person to make such offering or solicitation.