Introduction

In 2014, L’Oréal launched its Zero Deforestation policy, committing that by 2020 none of its products would be linked to deforestation.

Since then, L’Oréal has been implementing a holistic action plan to drive responsible sourcing within its supply chains derived from key agricultural commodities, such as palm oil and palm-based derivatives, soy oil and soy-based derivatives, and wood fibre-based products.

L’Oréal’s targets, efforts and accomplishments regarding its Zero Deforestation commitments are published in dedicated Progress Reports.

However, despite the progress made along its priority supply chains, L’Oréal is conscious that forests are more vulnerable than ever to critical threats with major environmental and human consequences worldwide.

In 2020, L’Oréal released new sustainability commitments, through its L’Oréal for the Future program, which embodies the two complementary dimensions of what corporate responsibility means to L’Oréal: transforming the company towards an increasingly sustainable business model and, contributing to solving global challenges beyond its value chain. L’Oréal for the Future also reaffirms the Group’s commitment to forest conservation and rehabilitation, as well as respect to human rights. Within this new framework, the Group notably commits that by 2030 at the latest, 100% of the biobased ingredients in its formulas and biobased materials for packaging will be traceable to the point of origin and derived from sustainable sources, with no link to deforestation nor any form of human rights violations.

In addition to this commitment, as a means to optimize the volume of forest-related raw materials vital to its formula, packaging and points of sale displays, L’Oréal will:

- Adopt a circular economy-based approach for its ingredients through new developments in biotechnology, Green Chemistry or formulation science, and with the adoption of a “Green Sciences” program for Research & Innovation.
- Continue to integrate the principles of recycling, re-use and upcycling, three of the 6R levers1 that constitute its packaging eco-design strategy.
- Continue to implement golden rules of eco-design specific for its POS materials, that are based on circular economy principles for end-of-life management.
- Limit its impact on natural habitats, holding flat by 2030, the total land occupancy vital to the sourcing of its ingredients, compared to 2019.

To go further, as part of its commitment to Biodiversity, L’Oréal will also contribute to accelerate forest preservation by creating the L’Oréal Fund for Nature Regeneration, a €50 million impact investing fund to support biodiversity conservation and restoration. By 2030, the fund will have helped restore one million hectares of degraded ecosystems, capture 15 to 20 million tonnes of CO₂ and create hundreds of job opportunities.

As part of this vision, building on its achievements, and understanding the necessity to extend the scope and depth of its action on forest protection and responsible supply chain management, L’Oréal has defined a new, dedicated 2030 Forest Policy.

This policy is in line with the Group’s sustainability ambition L’Oréal for the Future, its Human Rights policy, its Code of Ethics and its Sustainable Sourcing Policy for all its Renewable Raw Materials. L’Oréal will contribute to achieving key United Nations Sustainable Development Goals, with a particular focus on SDGs 1 (No Poverty), 5 (Gender Equality), 8 (Decent Work and Economic Growth), 10 (Reduced Inequalities), 13 (Climate Action) and 15 (Life on Land).

1) 6R Levers defined by L’Oréal within its eco-design strategy for packaging are: Reuse, Recycle, Replace, Recharge, Refill and Reinvent.
The role and importance of forests

According to the UN’s Food and Agriculture Organization, forests covered 4.06 billion hectares of the Earth’s surface in 2020, or 31% of land globally\(^2\), with a diversity of domains ranging from boreal and temperate to subtropical and tropical.

Hosting more than 80% of the world’s terrestrial biodiversity, forests are essential to life and dispense numerous ecosystem services (habitats, carbon storage, water and air quality regulation, protection of watersheds and reduction of erosion, as well as the prevention of natural disasters such as desertification or flooding). Forests play a key role in achieving the global climate agenda. The International Panel on Climate Change estimates at 30% the share of anthropogenic carbon captured by vegetation each year, especially by forests. Therefore, forests are essential in carbon sequestration, as they are themselves carbon sinks, and have the capacity to capture atmospheric carbon and store it for good. Forests provide food, medicine and energy to over 1.6 billion people who rely upon these ecosystems for their livelihoods. They are also home to 300 million people around the world, including 60 million Indigenous people, and sustain the livelihoods of many forest-dependent communities\(^3\).

Since 1990, close to 10% of the world’s forests have been lost\(^4\), leaving highly fragmented and intensively managed patches of forest. Over the last two years, figures have shown a rebound in the pace of deforestation, with multiple, complex causes. Among these is the growing demand for food, timber and other natural products, which stimulates the expansion of agricultural commodities, forest industries and mining operations. While deforestation and forest degradation occur worldwide, specific areas and ecosystems are under more pressure than others due to their sensitive nature, biodiversity and habitat richness, as well as their relevance in terms of the livelihoods and services they support.

Forests play a crucial role in L’Oréal’s business, as many of the products offered to consumers originate from raw materials that come directly or indirectly from forests (designated as “forest-related raw materials”). For the formulation of L’Oréal’s products, forests represent a key source of innovation and many forest-related raw materials are essential to ensure the performance of the products. To that must be added the packaging used to display and market its products and point of sale displays (POS), which are partially linked to wood-pulp and paper. L’Oréal therefore recognizes its role and responsibility in pursuing and scaling up its actions to ensure the sustainable use of its forest-related materials, and the protection and restoration of forests and their related ecosystems.

\(^3\) United Nations.
Scope of application

For forest-related ecosystems, the scope of this policy focuses on WWF Terrestrial Ecoregions, and more specifically on nine of the 14 major natural habitat types: tropical and subtropical moist broadleaf forests, tropical and subtropical dry broadleaf forests, tropical and subtropical coniferous forests, temperate broadleaf and mixed forests, temperate coniferous forests, boreal forests/taiga, tropical and subtropical grasslands, savannas and shrublands, Mediterranean forests, woodlands and scrubs, and mangroves. Sensitive habitats and ecosystems that are not among the above listed habitats might be integrated within the scope of this policy, and specific raw material action plans, if relevant. Other natural ecosystems not related to forests are covered by L’Oréal’s Sustainable Sourcing Policy for Renewable Raw Materials.

RAW MATERIALS

Forest-related raw materials comprise a variety of raw materials used as a basis for ingredients within L’Oréal’s products (both for formulas and packaging) and for POS. These raw materials either originate from forests, or their production and/or extraction has an impact on forests and related ecosystems.

Because forest-related raw materials do not all have the same level of intensity in terms of environmental and social impacts on a global scale, as well as the same weight within L’Oréal’s supply chains, they are divided in several categories.

For formulas, L’Oréal considers three categories of forest-related raw materials:
- Timber-based raw materials such as cellulose or wood extracts.
- Non-timber-based raw materials such as butters, waxes, oils or various fruits, seeds, nuts, flowers and leaves extracts such as shea butter or argan oil.
- Agricultural commodities that may lead to deforestation:
  - Among them, priority agricultural commodities are palm, soy and wood-based ingredients.
  - Other commodities including, notably, coconut or cane-based raw materials.

For any packaging material (primary, secondary, tertiary) or POS, L’Oréal uses forest-related raw materials (notably paper, cardboard, corrugated or timber).

The scope of this Forest Policy might be enlarged based on the identification of new risks.

This policy applies to all L’Oréal Group activities, including all product categories, brands and geographies.
Within this Forest Policy, L’Oréal is committed to contributing, by 2030 at the latest, to the maintenance and improvement over time of forests and the services they provide, through the implementation of a new strategic framework relying on the following two pillars: “Sustainably Manage” and “Preserve and Rehabilitate”.

The objectives presented below build on the progress and initial achievements of L’Oréal’s existing Zero Deforestation policy, while extending the scope of application and the depth of actions along supply chains, including ambitious goals on forest conservation and rehabilitation in priority sourcing areas.

Recognising the inherent link between the environmental and social challenges caused by the production of forest-related materials, and in line with the Group’s vision of sustainability, this Forest Policy encompasses efforts to ensure both environmental and social compliance within L’Oréal’s supply chains.

The efforts and activities that will be conducted to support the achievement of these objectives are detailed in the global Forest Roadmap, and specific Priority Raw Materials Roadmaps.

**SUSTAINABLY MANAGE**

Considering the issues that are still at stake, L’Oréal acknowledges the need to continue and extend the work it has undertaken to ensure the sustainable sourcing of its forest-related ingredients for formulas, packaging and POS, in order to uphold ‘No Deforestation, No Peat, No Exploitation’ (NDPE) principles, respect human rights and support local livelihoods.

Through the implementation of its Sustainable Sourcing Policy for Renewable Raw Materials, its global Forest Roadmap and specific Priority Raw Materials Roadmaps, L’Oréal will contribute to sustainably managed priority forest landscapes, helping to ensure that no damage is done, and no harm is caused to the forests and people connected to its supply chains.

To achieve this objective, L’Oréal will ensure that 100% of the sourcing for its overall portfolio of forest-related raw materials for formulas, packaging materials and POS, and the operation of its suppliers at a corporate group level, comply with the following principles:

- Full traceability of its sources to the production area.
- Full legality of the production, manufacturing and trading steps with local, national and international laws, including the respect for Access and Benefit Sharing regulations and principles, in line with the Convention on Biological Diversity and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization.
- No conversion or degradation of High Conservation Value (HCV) areas, High Carbon Stock (HCS) forests, Intact Forest Landscapes (IFL) and other forest-related natural ecosystems, following reference cut-off dates per raw material.

5) See definition in Appendix.
6) As defined by the Accountability Framework initiative.
7) See definition in Appendix.
8) Following definitions of the High Carbon Stock Approach (HSCA).
9) See definition in Appendix.
10) See "Cut-off dates" section in Appendix.
• No burning, clearance, planting or exploitation of peatlands regardless of their depth.
• Respect for species classified as threatened or endangered according to CITES and IUCN, no use of illegal or prohibited chemicals, avoidance of detrimental intensive agriculture systems, no damage to natural water ecosystems and soil.
• Respect for workers, farmers and smallholders’ rights in line with the Universal Declaration of Human Rights (UDHR), the United Nations’ Guiding Principles on Business and Human Rights (UNGPs) and the International Labor Organization (ILO) fundamental Conventions.
• Recognition of the rights of all workers, including freedom of association and collective bargaining, legal and decent working hours, safe and healthy workplaces, respect for minimum wages, stable benefits and welfare protection, and the prevention of irresponsible and abusive working practices such as forced labor, child labor, discrimination, harassment and gender-based violence.
• Respect for the self-determination of Indigenous People and local communities, in line with the United Nations Declaration on the Rights of Indigenous People, as well as their rights to ownership of the land over which they have statutory, community and/or customary rights.

A dedicated sustainable management and compliance action plan has been defined. It focuses on risk monitoring and due diligence systems, physical certification of sources based on credible standards and/or supply chain connection to sustainable field projects contributing to improving agricultural practices, yields and the livelihoods of people involved in L’Oréal’s value chains, while protecting their rights.

Compliance with these principles will be regularly monitored using a system to identify complaints and conflicts, and independently verified. If a breach of NDPE principles is identified, L’Oréal will activate specific action plans to resolve the issue. The company will engage with suppliers as the preferred approach, prior to a potential suspension or exclusion, in accordance with its Grievance procedure and based on assessments of the severity of the issue and the supplier’s commitment to implementing corrective actions.

11) See definition in Appendix.
PRESERVE & REHABILITATE

Beyond the compliance of its sources with the above principles, combined with a preferred allocation of its sourcing on areas demonstrating compliance to the above principles, L’Oréal considers the sourcing of forest-related materials as a lever to preserve standing forests and to recover degraded ecosystems, while respecting the rights of Indigenous Peoples and Local Communities, towards sustainable landscapes and livelihoods.

As such, L’Oréal will proactively contribute to preserve and recover the services provided by priority forests landscapes, strategic for its sourcing.

THIS WILL BE DONE BY:

• Identifying areas of risk to forests located close to strategic supply chains, through the implementation of a robust monitoring system to help evaluate the existence and proportion of potential conversion or degradation of forests occurring in or around L’Oréal’s sourcing areas in the period leading up to the target policy dates, using defined cut-off dates as a reference.

• Enhancing the economic value of forest-related materials, through the activities conducted within sustainable sourcing field projects to improve the livelihoods and the socio-economic resilience of local communities who depend on forests as an incentive to standing forest conservation.

• Investing, through innovative financing models, in landscapes identified at risk, with a first focus on 6 priority commodity supply areas, supporting rights-based projects aiming at protecting or rehabilitating HCV areas and HCS forests, priority forest landscapes and forest-related natural ecosystems, resources, biodiversity, habitats, water and carbon pools, as well as alternatives livelihoods for local communities and smallholder farmers, including the production of deforestation-free forest-related materials, preferably within priority deforestation fronts and sensitive natural forest areas.

• Engaging with farmers, local communities, industry partners, investors, experts and project developers, as well as with local and regional authorities to contribute to transforming at scale and on the long-term the strategic landscapes L’Oréal sources from.

The steps towards identifying, selecting and implementing these conservation and rehabilitation projects will be detailed in the global Forest Roadmap and specific Priority Raw Materials Roadmaps.

MILESTONES

Following on from its 2020 Zero Deforestation targets for palm, soy, wood-based raw materials, and paper and cardboard, L’Oréal has defined specific milestones and differentiated deadlines for its 2030 Forest Policy, to cover the extended scope of strategic raw materials, based on the criticality of the forest-related raw materials, the urgency to act and transform production models, as well as their business relevance to L’Oréal:

BY 2025 AT THE LATEST, all these targets will be met for agricultural commodities that may lead to deforestation, with intermediary milestones for palm, soy and wood-based ingredients. This will include all our coconut, cocoa or cane-based raw materials.

BY 2030 AT THE LATEST, all these targets will be met for all remaining forest-related raw materials, including non-timber-based products.

The detailed definitions of all technical terms, and the precise scope of L’Oréal’s 2030 Forest Policy are available in the Appendix.

MEASUREMENT AND REPORTING : L’Oréal will provide public and independently verified information about its progress annually, with dedicated KPIs for each category of forest-related materials.

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12) No later than January 2020, as per the Accountability Framework initiative guidance. See “Cut-off dates” in Appendix.
13) See definition in Appendix.
14) As defined by WWF, first in 2015, and later in 2020, ranging from Latin America, West and East Africa to South East Asia (see details in Appendix).
15) See definition in Appendix.
Appendix

CUT-OFF DATES

- A cut-off date determines the permissibility of deforestation or conversion based on the timing of such events on the ground. Clearance of natural forests and forest-related natural ecosystems after a determined cut-off date indicates non-compliance of the affected area or production unit with zero deforestation or no natural ecosystem conversion commitments.

- L’Oréal acknowledges that the cut-off date issue is key in order to monitor the implementation of this Forest Policy effectively, and ensure that the production of agricultural commodities is not a cause of deforestation or natural ecosystem conversion.

- L’Oréal expects its suppliers to comply with a general cut-off date of January 1st 2020, the date this Forest Policy comes into effect, and as per the Accountability Framework initiative (AFi) recommendations, at the latest, for all forest-related raw materials in scope.

- However, for forest-related raw materials for which a sector-wide cut-off date has already been established prior to this date, it will be evaluated and, if relevant, used as a reference for the Forest Policy. This is notably the case for the following raw materials and cut-off dates:
  - Palm oil, palm kernel oil and palm-based derivatives: November 2018 (most recent update of the RSPO Principles & Criteria).
  - Soybean, soy oil and soy derivatives: June 2016 (most recent update of the RTRS Principles & Criteria and later than the Proterra cut-off date).
  - Wood, paper and other wood-related products: December 2010 (potential adoption of FSC’s new cut-off date when finalised).
  - Sugarcane: January 2008 (Bonsucro guidelines).
  - Cocoa: November 2018 for cocoa originating from Ivory Coast and Ghana, and following the Rainforest Alliance’s Sustainable Agriculture standard cut-off date for other countries;
  - Coconut: As there is no sector-wide established cut-off date for coconut, the proposed cut-off date is set to January 2020.

- Finally, in the event that its suppliers have pre-existing public commitments to respect cut-off dates before the sector-wide dates described above, L’Oréal expects these companies to abide by their own commitments.
DEFINITIONS

AGROFORESTRY:
A land use system in which woody perennials (trees, shrubs, palms, bamboos) are deliberately used on the same land management unit as agricultural crops (woody or not), animals or both, either in some form of spatial arrangement or temporal sequence. In agroforestry systems, there are both ecological and economic interactions between the different components. (World Agroforestry Centre)

CONSERVATION:
The protection, care, management and maintenance of ecosystems, habitats, wildlife species and populations, within or outside their natural environments, in order to safeguard the natural conditions for their long-term permanence. (IUCN)

CONVERSION:
Change of a natural ecosystem to another land use, or profound change in a natural ecosystem’s species composition, structure or function (AFI). This term is used for the zero conversion approach which refers specifically to forest-related ecosystems.

CONSERVATION OR PROTECTION PROJECTS:
Conservation or protection projects, as defined within this Policy, must implement activities for the conservation of endangered natural forest ecosystems, not impacted or only slightly impacted by human activities (apart from traditional uses by local communities and Indigenous people). Types of conservation activities may encompass (non-exhaustive list): forest protection, conservation education programs or the development of alternative livelihoods models, development of community-based forest management initiatives. Within the scope of this policy, conservation projects must be located within deforestation fronts (as defined by WWF, see definition) or other sensitive areas where agricultural or extraction activities related to the source of the raw material are expanding. The areas to be protected must fall into one of the four categories of protection status (Category Ia/Ib, II, III and IV) of the network of existing protected areas (World Database on Protected Areas), defined by the International Union for Conservation of Nature (IUCN) and the United Nation Environment Program (UNEP-WCMC).

CREDIBLE STANDARDS:
A credible standard is a standard recognized by the sector that allows, among various potential schemes, full segregation of the raw material from the finished product up to the first level of commodity production. The respective principles and criteria must also be in line with L’Oréal’s Sustainable Sourcing Policy for Renewable Raw Materials and Forest Policy.

DEFORESTATION:
Loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation. (AFI)

DEGRADED FOREST:
A secondary forest that has lost, through human activities, the structure, function, species composition or productivity normally associated with a natural forest type expected on that site. Hence, a degraded forest delivers a reduced supply of goods and services from the given site and maintains only limited biodiversity. Within degraded forests, biodiversity includes many non-tree components, which may dominate in the under canopy vegetation. (UNEP)

FOREST:
Land spanning more than 0.5 hectares with trees higher than 5 metres and a canopy cover of more than 10%, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or other land use. Forest includes natural forests and tree plantations. For the purpose of implementing no-deforestation supply chain commitments, the focus is on preventing the conversion of natural forests. (AFI)

FOREST DEGRADATION:
Changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem’s capacity to supply products, support biodiversity, and/or deliver ecosystem services. (AFI)
**HCS FOREST:**
The HCS Approach stratifies the vegetation in an area of land into six different classes, using analyses of satellite data and ground survey measurements. These are: high density forest, medium density forest, low density forest, young regenerating forest, scrub, and cleared/open land. The first four classes are considered potential High Carbon Stock forests. (HCS Approach)

**HCV AREA:**
HCVs are biological, ecological, social or cultural values of outstanding significance at the national, regional or global level or of critical importance at the local level. All natural habitats possess inherent conservation values, including the presence of rare or endemic species, provision of ecosystem services, sacred sites or resources harvested by local residents. There are six categories of HCVs: species diversity, landscape level ecosystems, ecosystems and habitats, ecosystems services, community needs and cultural values. (HCV Resource Network)

**INDIGENOUS PEOPLES:**
Indigenous peoples are defined as distinct groups of people who fulfill the following criteria (among others): pursuit of their own concepts and way of human development in a given socio-economic, political and historical context; attempt to maintain distinct group, identity, languages, traditional beliefs, customs, laws and institutions, world views and ways of life; present or past exercise of control and management of the lands, natural resources, and territories historically used and occupied; self-identification as Indigenous peoples; descendance from populations whose existence pre-dates the colonisation of the lands within which they were established or of which they were dispossessed. (AFI)

**INTACT FOREST LANDSCAPE (IFL):**
A seamless mosaic of forest and naturally treeless ecosystems within the zone of current forest extent, which exhibit no remotely detected signs of human activity or habitat fragmentation, and are large enough to maintain all native biodiversity, including viable populations of wide-ranging species. (WWF).

**IUCN CATEGORY IA:**
Strict Nature Reserve. Protected areas that are strictly set aside to protect biodiversity and geological/geomorphological features, where human visitation, use and impacts are strictly controlled and limited to ensure the protection of conservation values. Such protected areas can serve as indispensable reference areas for scientific research and monitoring. (IUCN, WDPA)

**IUCN CATEGORY IB:**
Wilderness Area. Protected areas that are usually large, unmodified or slightly modified areas, retaining their natural character and influence, without permanent or significant human habitation. They are protected and managed so as to preserve their natural condition. (IUCN, WDPA)

**IUCN CATEGORY II:**
National Park. Large natural or near natural areas set aside to protect large-scale ecological processes, along with the complement of species and ecosystems characteristic of the area, which also provide a foundation for environmentally and culturally compatible spiritual, scientific, educational, recreational and tourism opportunities. (IUCN, WDPA)

**IUCN CATEGORY III:**
Natural Monument or Feature. Protected areas are set aside to protect a specific natural monument, which can be a landform, seamount, submarine cavern, geological feature such as a cave, or even a living feature such as an ancient grove. They are generally quite small, protected areas and often have high visitor value. (IUCN, WDPA)

**IUCN CATEGORY IV:**
Habitat/Species Management Area. Protected areas designed to protect particular species or habitats and management reflects this priority. Many Category IV protected areas will need regular, active interventions to address the requirements of particular species or to maintain habitats, but this is not a requirement of the category. (IUCN, WDPA)
L’ORÉAL BIODIVERSITY LAND OCCUPANCY FOOTPRINT
Indicator used by L’Oréal to measure its individual biodiversity footprint, linked to land occupancy for its industrial activities and the sourcing of its raw materials from natural ecosystems (packaging products and ingredients for formulas).

This indicator is based on three parameters:
- Land area (area of land needed to produce the formula and packaging).
- Quantity of biodiversity lost through land occupancy.
- Biodiversity significance (relative global importance of biodiversity impacted).

LOCAL COMMUNITIES:
Groups of interacting people living in and sharing a specific environment and place (in the context of this Policy: forests and related ecosystems). Local communities may attach particular meaning to land and natural resources as sources of culture, customs, history and identity, and/or depend on them to sustain their livelihoods, social organization, culture, traditions and beliefs. (AFI)

NO/ZERO DEFORESTATION (DEFORESTATION-FREE):
Commodity production and/or sourcing that do not cause or contribute to deforestation. No-deforestation refers to no gross deforestation of natural forests, which the Accountability Framework specifies as the appropriate policy and requirement for companies and supply chains. In the context of the Accountability Framework, deforestation refers to the loss of natural forest (see definition of deforestation). (AFI)

NO IMPACT:
Refers to a supply chain that is free of deforestation, natural forest degradation and forest-related ecosystems conversion after a specific cut-off date. In order to reach and ensure ‘no Impact’, potential impacts of the supply chain on forests must be evaluated and quantified, the supply chain must allow full traceability to the origin of the raw material, monitoring and compliance management practices must be enforced, and the policy must include the rehabilitation of any areas converted after the determined cut-off date.

PRESERVATION:
The set of policies and measures to maintain the conditions favoring the evolution and continuity of the ecosystems and natural habitats, as well as the conservation of viable populations of species in their natural environments and the components of biodiversity outside their natural habitats. (IUCN)

PRIORITY DEFORESTATION FRONTS:
Land areas that will account for over 80% of the forest loss projected globally by 2030. These fronts, ten of which are in the tropics, are where efforts to halt deforestation must be concentrated (as defined by WWF in 2015, this list was amended following the WWF update in December 2020):
- Choco-Darién (Panama-Colombia)
- Amazonia
- Cerrado
- Gran Chaco
- Maya forest
- Central Africa including Congo Basin (Cameroon, Gabon, Congo, DRC, Central African Republic and Angola)
- East Africa (Zambia, Mozambique and Madagascar)
- West Africa (Liberia, Ivory Coast and Ghana)
- Great Mekong (Thailand, Myanmar and Laos)
- Borneo
- Sumatra
- New Guinea (Indonesia and Papua New Guinea)
- Easter Australia

PRIORITY/SENSITIVE FOREST LANDSCAPES:
Apart from the priority deforestation fronts defined by WWF (see definition), other ecosystems/biomes/regions are facing deforestation, natural forest degradation and conversion. Due to their rich biodiversity and the numerous other ecosystem services they provide, they are also considered at risk. In the scope of this policy, the list of priority/sensitive forest landscapes is as follows:
- Priority deforestation fronts
- Pantanal
- Los Llanos: Colombia/Venezuela
- West Africa: Liberia, Côte d’Ivoire, Ghana, Nigeria
- Bolivia/Peru: Bolivian lowlands forests, Santa Cruz region
- Central America: Nicaragua/Honduras
- Madagascar
- Boreal forests: Canada, Sweden, Finland, North West Russia (IFL)
- Carpathians and Bialowieza (Romania, Ukraine, Poland, Belarus)
- Sub-Saharan savannas.
REGENERATIVE AGRICULTURE: Describes farming and grazing practices that, among other benefits, reverse climate change by rebuilding soil organic matter and restoring degraded soil biodiversity – resulting in both carbon sequestration and improving the water cycle. It is a dynamic and holistic approach, incorporating permaculture and organic farming practices, including conservation tillage, cover crops, crop rotation, composting, mobile animal shelters and pasture cropping, in order to increase food production, farmers’ income and especially, topsoil. (Regeneration International)

REHABILITATION: Re-establishment of productivity and some, but not necessarily all, of the plant and animal species thought to be originally present at a site. For ecological or economic reasons, the new forest might also include species not originally present at the site. In time, the protective function and many of the ecological services of the original forest may be re-established. (UNEP World Conservation Monitoring Center)

REHABILITATION PROJECTS: Rehabilitation projects, as defined within this policy, aim to strengthen the resilience of forest sites and landscapes, and thereby to keep future land use and management options open, on sites or in landscapes where forest loss has caused a decline in the quality of environmental service. Within the scope of this policy, rehabilitation projects must be located within deforestation fronts (as defined by WWF, see definition), or other sensitive areas where agricultural or extraction activities related to the source of the raw material are expanding, such as unproductive or abandoned agricultural land converted from forests, degraded grasslands, bushlands, scrublands or barren areas that were previously forested, understocked forests or forests degraded by the production of raw materials. Rehabilitation projects must be implemented in full respect of the principles for rights-based forest restoration, and may include activities such as (non-exhaustive list): protection measures from fire, grazing, and erosion; acceleration of natural recovery (e.g. through direct seeding, or by planting seedlings in degraded primary or secondary forests); assistance to natural regeneration (e.g. weed control on degraded lands and marginal agricultural sites); preferential planting of local and endemic species, rather than cultivating introduced trees in single-species plantations, in agroforestry production systems, etc...

RESTORATION: Re-establishment of the presumed structure, productivity and species diversity of the forest originally present at a site. In time, the ecological processes and functions of the restored forest will closely match those of the original forest. (UNEP World Conservation Monitoring Center)

TRACEABILITY: Supply chain traceability is the process of identifying and tracking a product or material’s path from raw material to finished good. Traceability is the first step to ensuring good practices and respect for people and the environment in supply chains. In the framework of this Policy, raw material traceability refers to the identification of the raw material’s cultivation/collection/extraction geographical origin. The minimum level of traceability expected for all forest-related raw materials is at country level. In addition, based on specific risk analysis, more precise levels of traceability to be achieved (e.g. to the level of farms, mills, production area etc.) will be defined for each forest-related raw materials, as part of their individual roadmaps. Specifically, for recycled materials, the traceability level to be achieved will be defined by recognized and existing standards.