

UPDATE: Implementation of a Licensing Scheme for Brand Owners



Many consumer brands pledge to use more recycled and/or plant-based materials





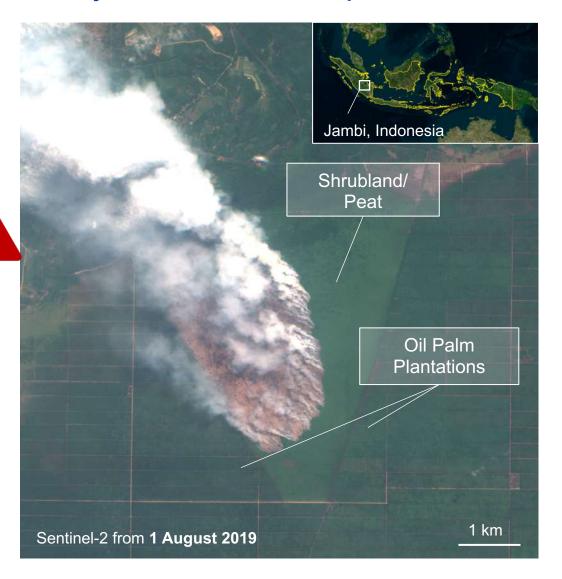


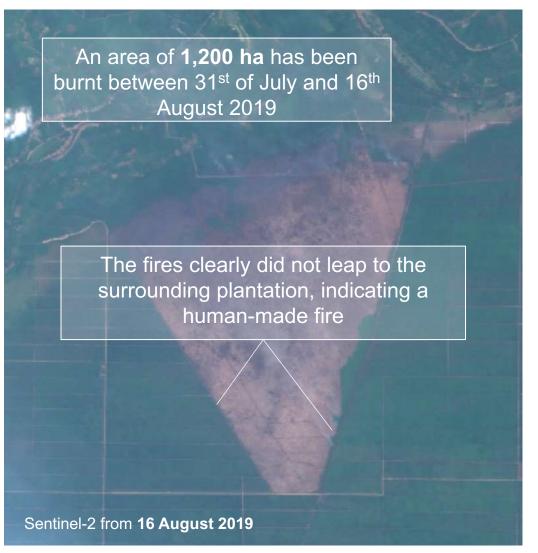






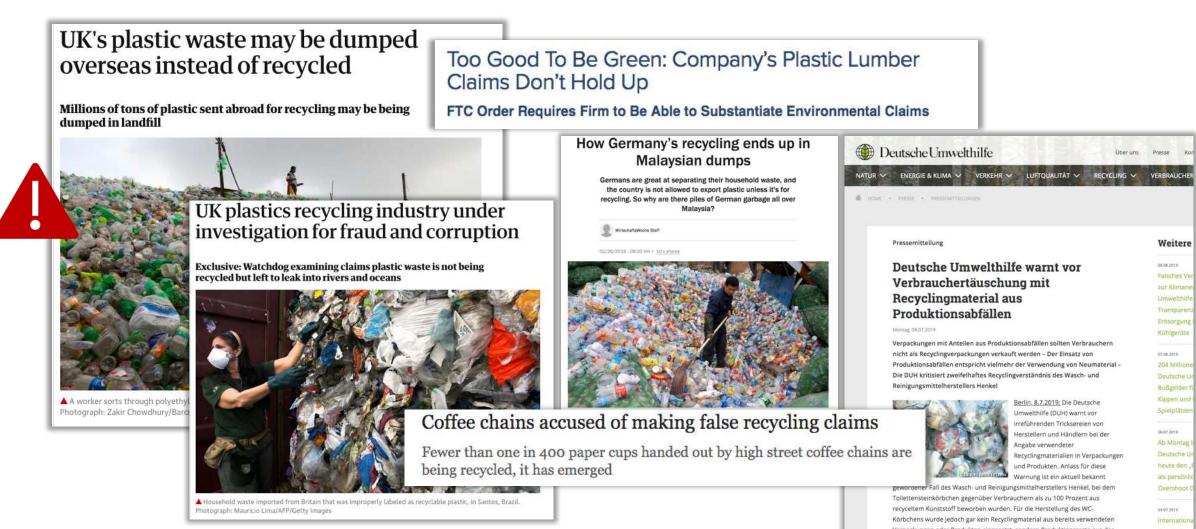
However, the use of bio-based resources poses the risk of deforestation, biodiversity loss and social problems



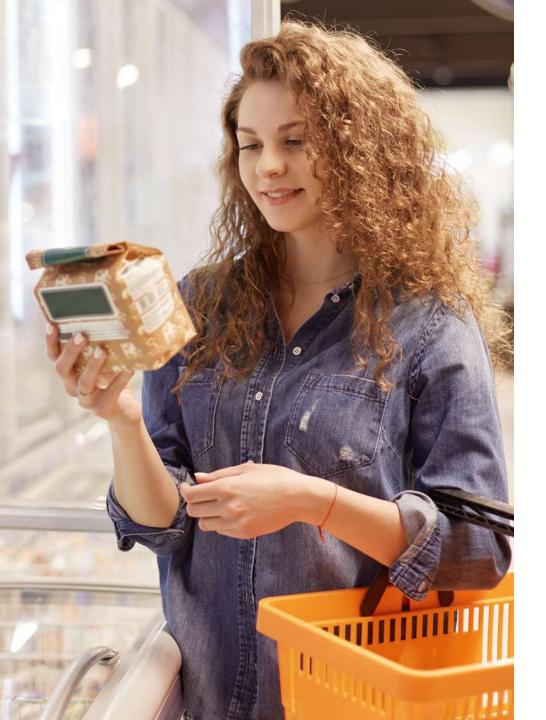




And even with circular feedstock, there is the risk of greenwashing allegations or non-transparent supply chains







ISCC PLUS adds value for companies and consumers



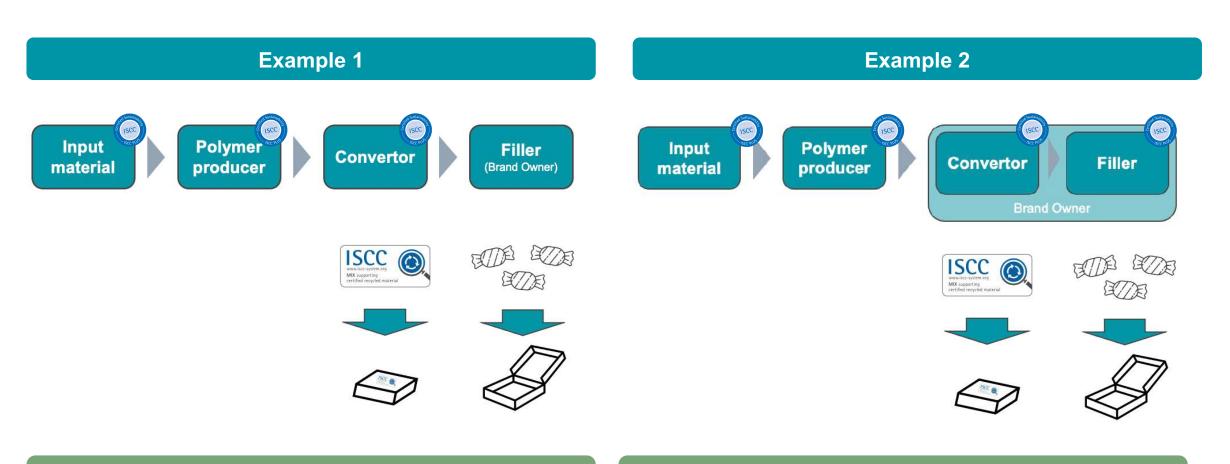
Third-party certification is an effective and proven way for brands to **increase consumer trust**

→ A study from 2018 showed that **third-party certification labels** as signaling instruments effectively reduce the risk of poorer performance and **positively affect consumers' purchase intentions for sustainable products** if the label is viewed as credible.¹

Greenwashing allegations can be avoided - Claims are credible and trustworthy with ISCC PLUS certification

¹ Brach, S., Walsh, G. and Shaw, D. (2018). Sustainable consumption and third-party certification labels: Consumers' perceptions and reactions. *European Management Journal* 36, 254 - 265

Current situation: Whether brand owners have to be certified depends on the given scenario



Certification recommended but only mandatory if the brand owner wants to use off-product claims

Certification is mandatory





Recap: Advantages of an ISCC licensing scheme for brand owners



Scaling-up opportunities to use the ISCC logo / ISCC claims → more attractive for brand owners



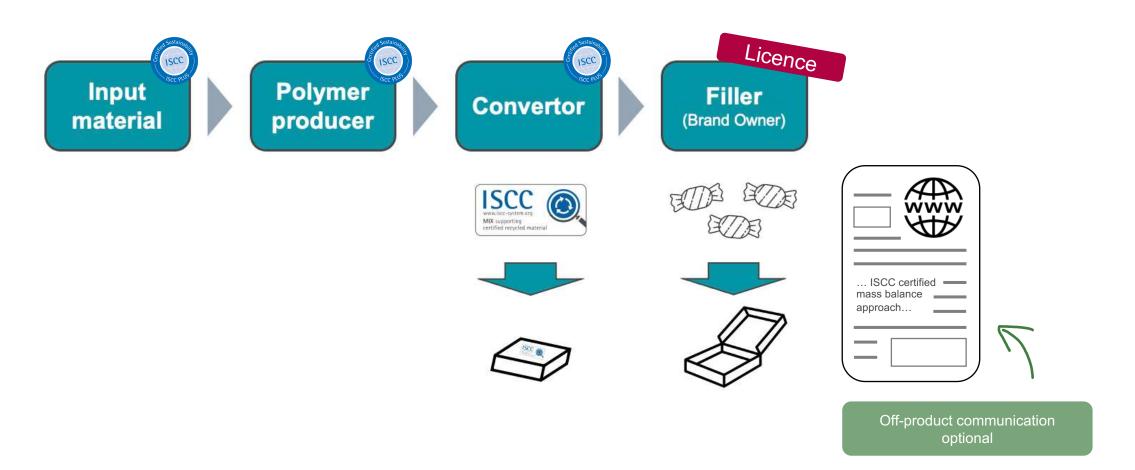
Brand owners are often already familiar with licensing schemes (e.g. FSC, UTZ)



Increasing use of the ISCC logo / ISCC claims by brands will create more consumer awareness and visibility

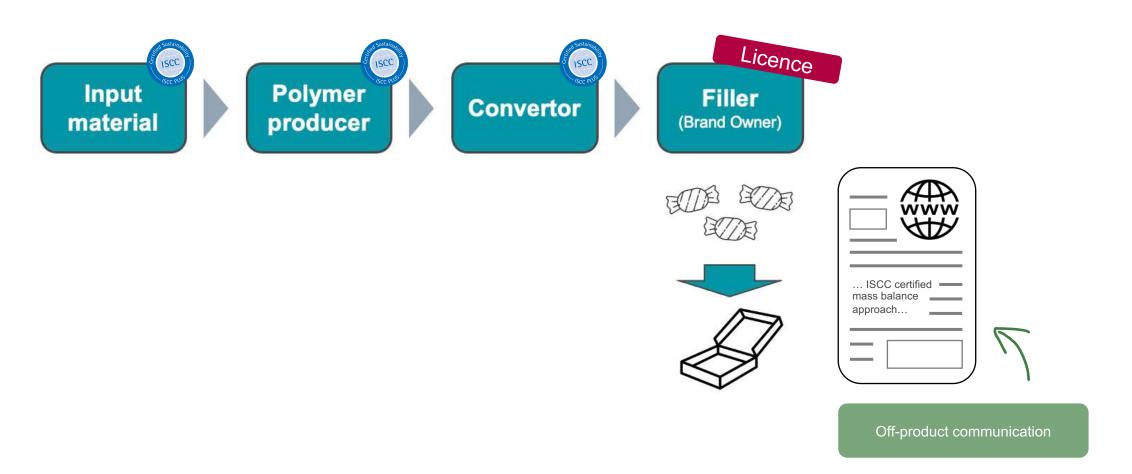
Companies along the supply chain will benefit from increased demand by brand owners and consumers

Licencing Scheme - Scenario 1: The brand owner receives material with the ISCC On-Product Logo/Claim (and would like to use off-product claims)



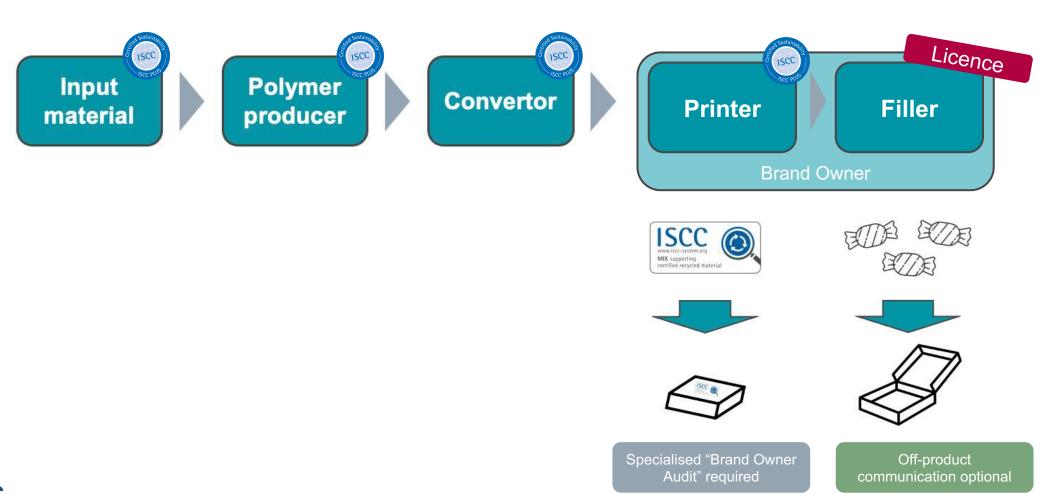


Licencing Scheme - Scenario 2: The brand owner receives material without the ISCC On-Product Logo/Claim and would like to use off-product claims



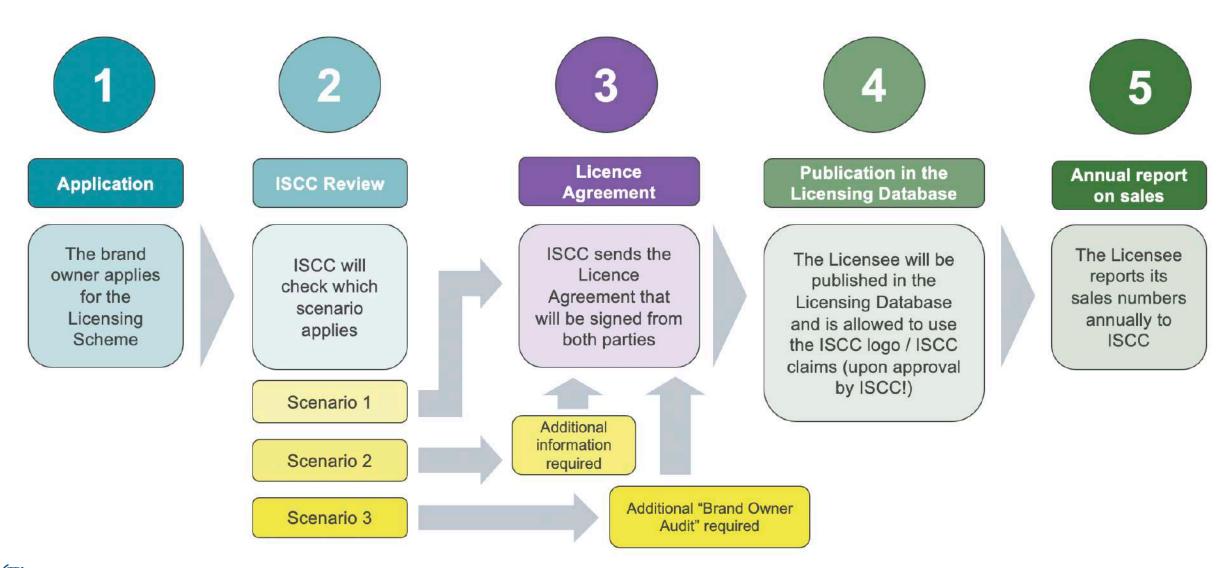


Licencing Scheme - Scenario 3: The brand owner prints the ISCC On-Product-Logo/Claim on the product (and would like to use off-product claims)





How does the Licensing Scheme work?





ISCC will develop new guidelines for brand owners





Well-defined onproduct claims for different applications



Off-product communication support



Presentation material about ISCC PLUS



New consumercentric ISCC On-Product logos

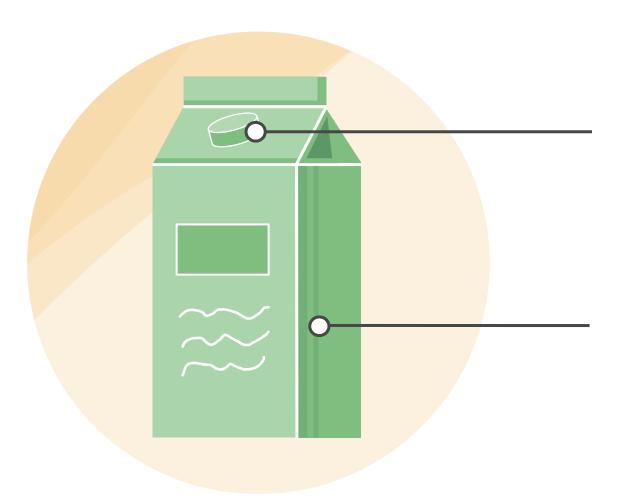


Example claims for products and packaging





Example claims for separate components of products and packaging



Cap and closure produced with ISCC certified recycled material*

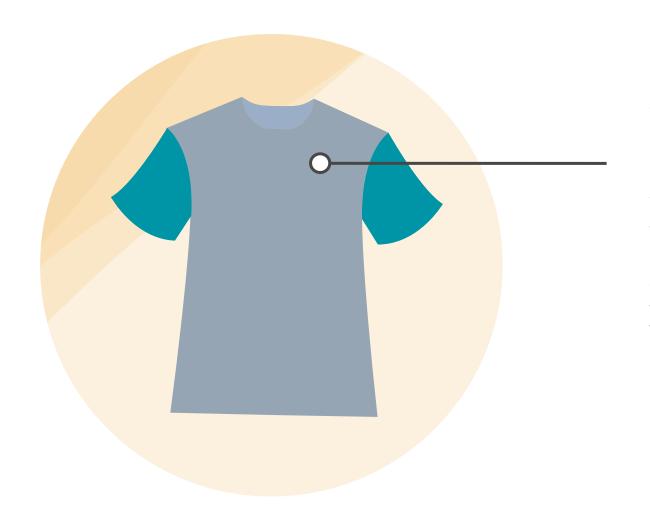
*mass balance approach

We replaced fossil resources with biobased material during the production of the waterproof coating*

*via ISCC mass balance approach



Example claim for multi-component products



This T-Shirt is made of 60% Cotton and 40% Polyester. By using at least 30% recycled polyester instead of virgin polyester, this T-Shirt contributes to a circular economy.*

*The recycled content of the polyester is allocated using the ISCC mass balance approach. Find out more: www.iscc-system.org





Many thanks for your attention!

Jessica Michel, ISCC System GmbH Hohenzollernring 72, 50672 Cologne, Germany Email: michel@iscc-system.org