ISCC requirements and first steps for the certification

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ISCC
International Sustainability & Carbon Certification

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Set-up and application of ISCC

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01

Set-up and application of ISCC

ISCC is a leading certification scheme globally applicable for a wide range of feedstocks and markets

ISCC International Sustainability & Carbon Certification

ISCC is a well-established and credible certification standard

160+ Trainings for Auditors and System Users performed

54 certification bodies

980+ ISCC trained auditors

7 Voluntary add-ons to address specific customer requirements

Stakeholder dialogue:

230+ ISCC Association members

45,000+ certificates

8,100+ system users

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Discussion platform with 4 Regional and 6 Technical Committees

System users in 130+ countries

Integrity Programme: 4 independent auditors

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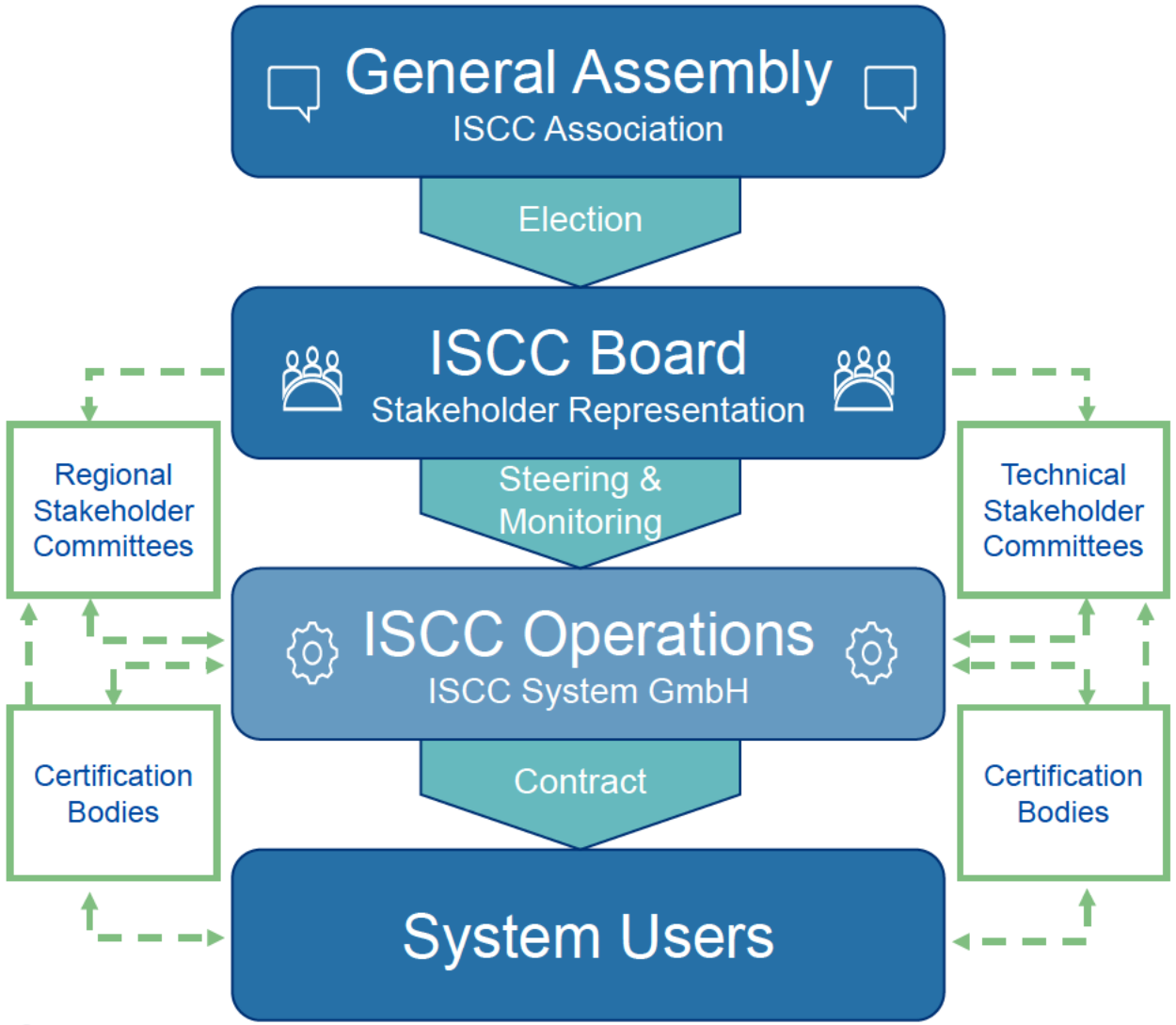
Organisational set up of ISCC



- ISCC is a multi-stakeholder initiative
- The ISCC Association includes members from different stakeholder groups and is represented by the ISCC Board
- Daily operations are carried out by ISCC System GmbH, located in Cologne
- Various stakeholder committees guarantee active stakeholder dialogue
- The collaboration of all stakeholders and system users guarantees a continuous improvement of the standard

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The ISCC Association is a multi-stakeholder initiative comprised of more than 200 members

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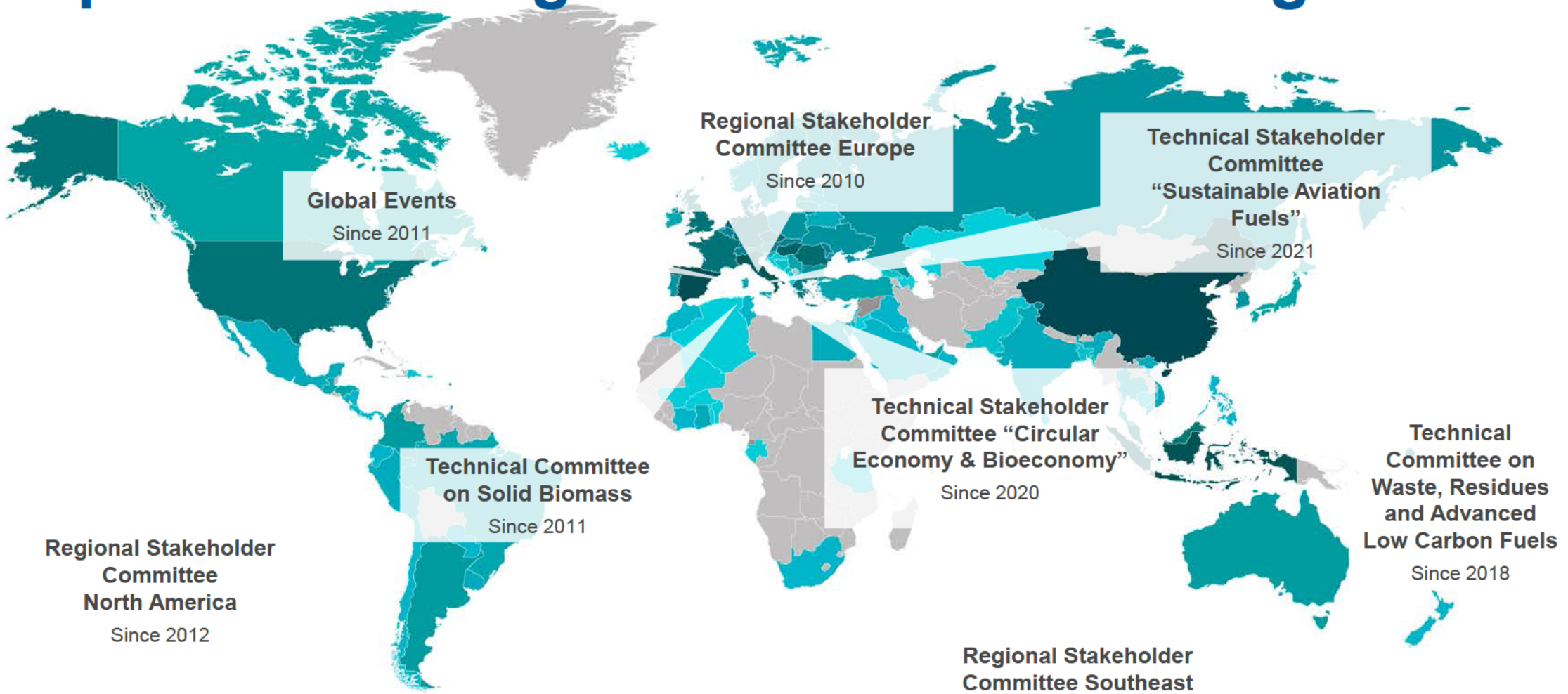
Emphasis on a regular stakeholder dialogue



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ISCC's cooperating Certification Bodies conduct audits on a regional and global scale

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All kinds of agricultural and forestry feedstocks can be certified under ISCC

Examples

Soy

Rapeseed/ Canola

Palm

Sunflower

Cereals

Corn

Sugarcane

Sugarbeet

Wood

Cotton

Shea Nuts

Camelina

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Leading system for the certification of waste and residues and focuses on innovative feedstocks

Examples

Waste and processing residues

Used cooking oil

Landfill gas

Tall oil

Renewable non-bio feedstocks

Renewable electricity

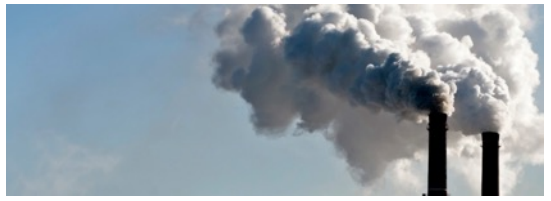
Forestry / agricultural crop residues

Forestry residues

End-of-life tyres

Municipal solid waste / mixed plastic waste

Crude glycerine



CO2

Husks

Straw

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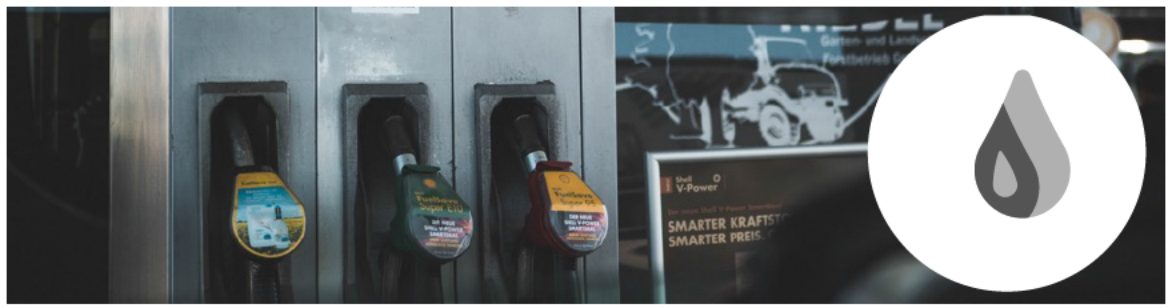
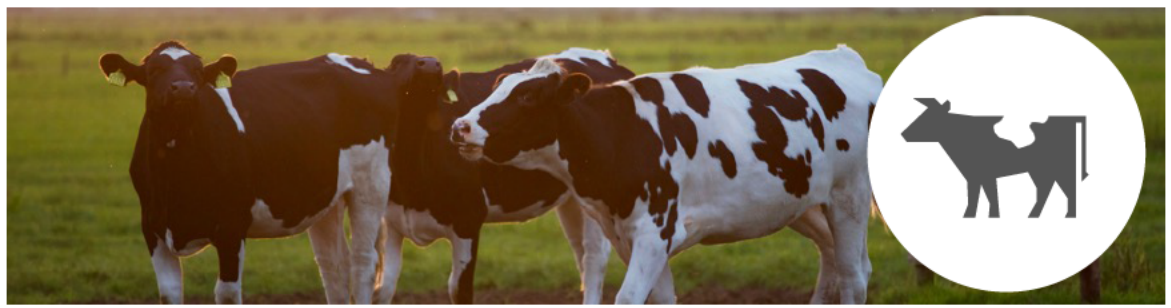
Mandatory and voluntary sustainability requirements in different markets



Energy

Food



Feed

Industrial applications

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ISCC offers three certification systems, application depending on the market

ISCC EU

- Applicable for sustainable fuels used in the European Union
- To demonstrate compliance with the EU's sustainability criteria for biofuels set out in the RED II

ISCC PLUS

- Application for voluntary and certain regulated markets
  - Energy and biofuels outside the European Union (e.g. Japan, Australia)
  - Industrial applications
  - Food and feed markets

ISCC CORSIA

- Applicable for sustainable aviation fuels under ICAO CORSIA
- To demonstrate compliance with the sustainability and GHG criteria for CORSIA eligible fuels

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02

ISCC certification process and requirements

A valid certificate is necessary to register for the Nabisy platform

STEP 1
Company signs a contract with certification body

- All CBs cooperating with ISCC are published on the ISCC Website

STEP 2
Company registers with ISCC as System user

- Registration process via the ISCC website.

STEP 3
CB conducts the audit

- The auditor verifies compliance with ISCC requirements

STEP 4
CB Issues the certificate

- ISCC publishes the certificate and the Summary Audit Report on the ISCC website.

STEP 6
System user hands in Nabisy application form to ISCC

- Form is transferred to the BLE.
- The BLE creates the Nabisy account and Proofs of Sustainability can be uploaded.

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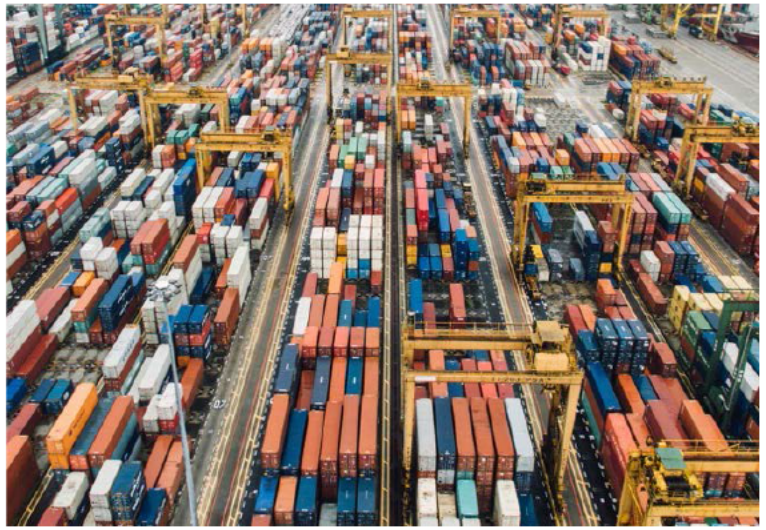
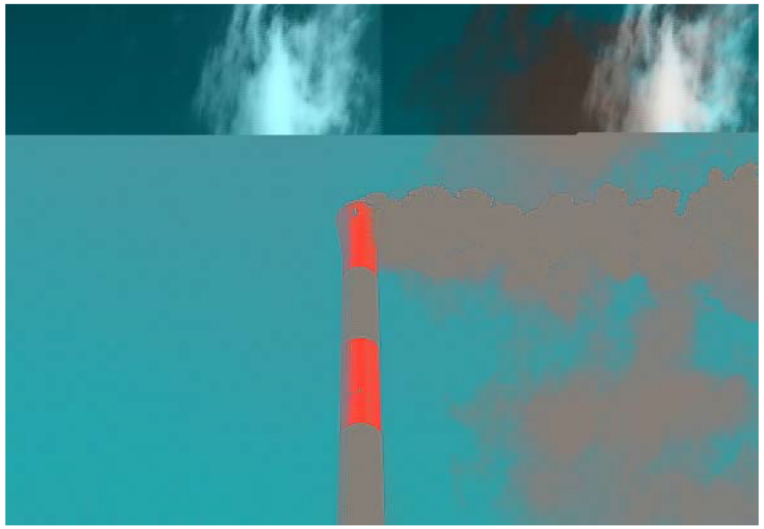
ISCC certification ensures sustainability and GHG emissions reductions along global supply chains

ISCC certification ensures



Traceability of sustainable materials through the supply chain

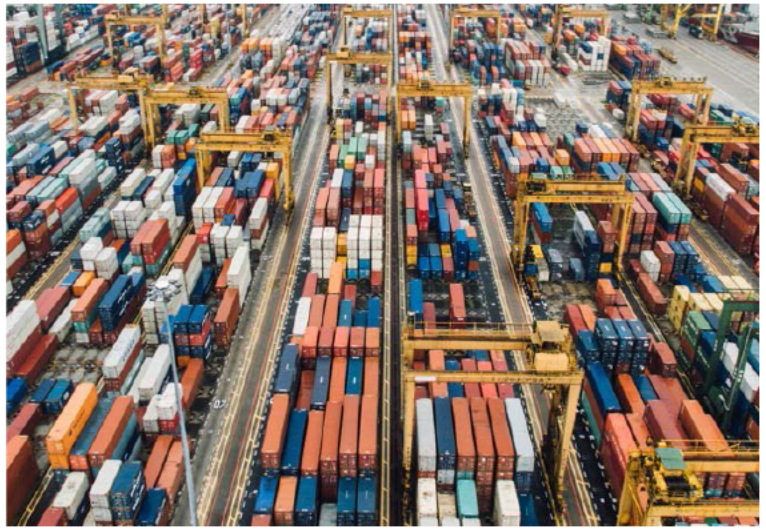
Sustainability in feedstock production



Verified reduction of GHG emissions

ISCC certification ensures sustainability and GHG emissions reductions along global supply chains

ISCC certification ensures



Traceability of sustainable materials through the supply chain

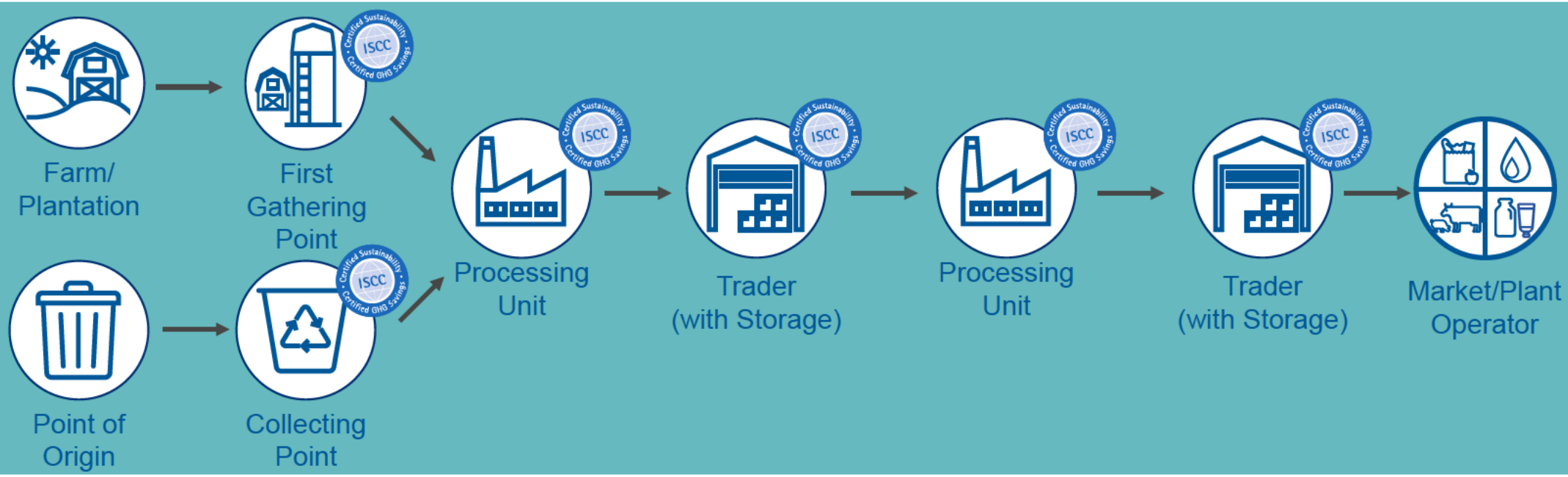
Sustainability in feedstock production

Verified reduction of GHG emissions

Overview of supply chains under ISCC

Agricultural and forest biomass and residues

Waste, residues, renewable non-bio feedstocks



General supply chain audit requirements

- ✓ Management system
- ✓ Traceability documents and mass balance
- ✓ GHG Emissions
  (voluntary under ISCC PLUS, not applicable for trader/storage)

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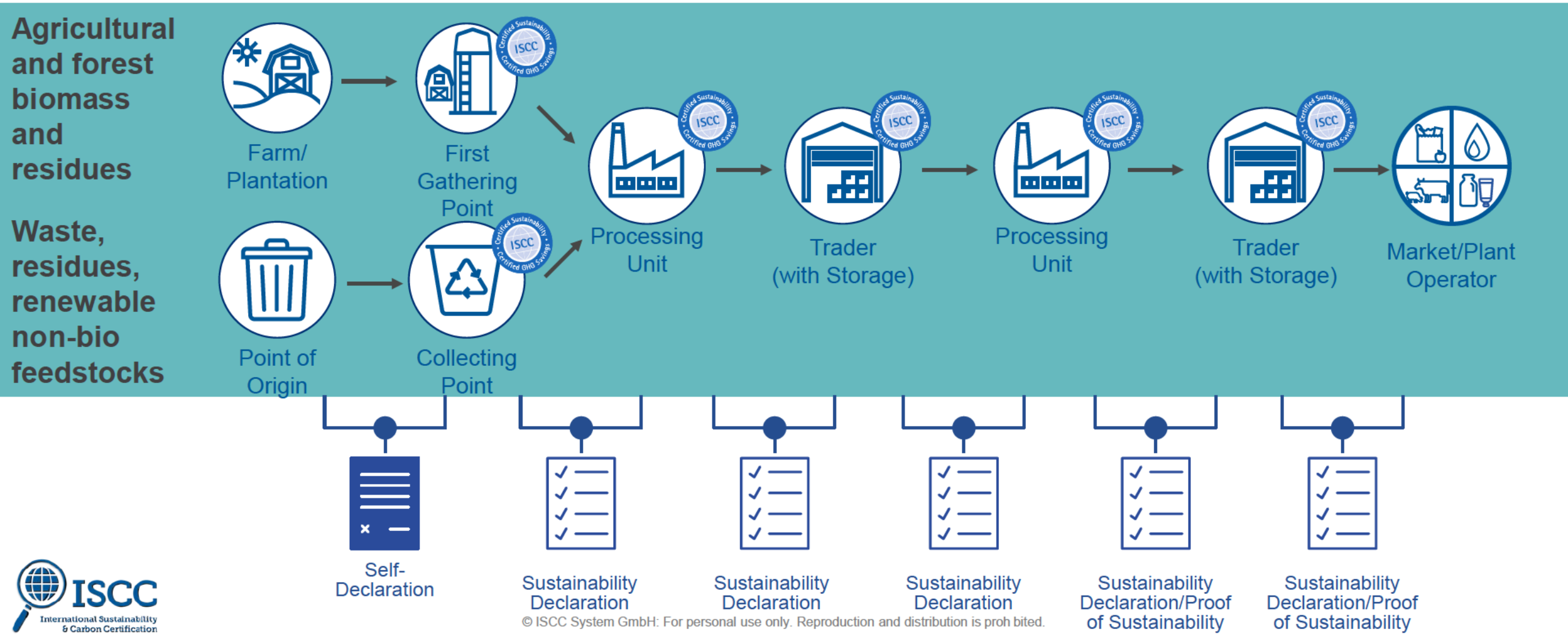
Information on sustainable material forwarded through supply chains



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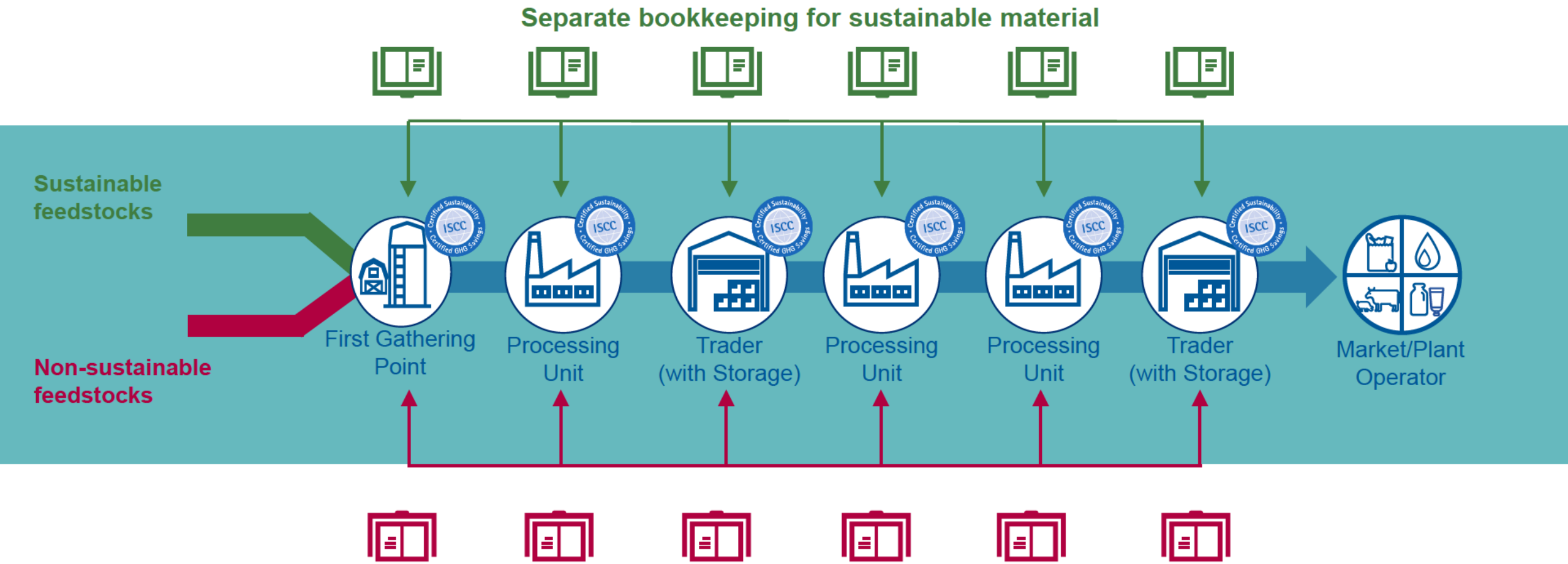
Mass balance approach: Sustainable and non-sustainable material can be physically mixed but must be kept separated in the bookkeeping



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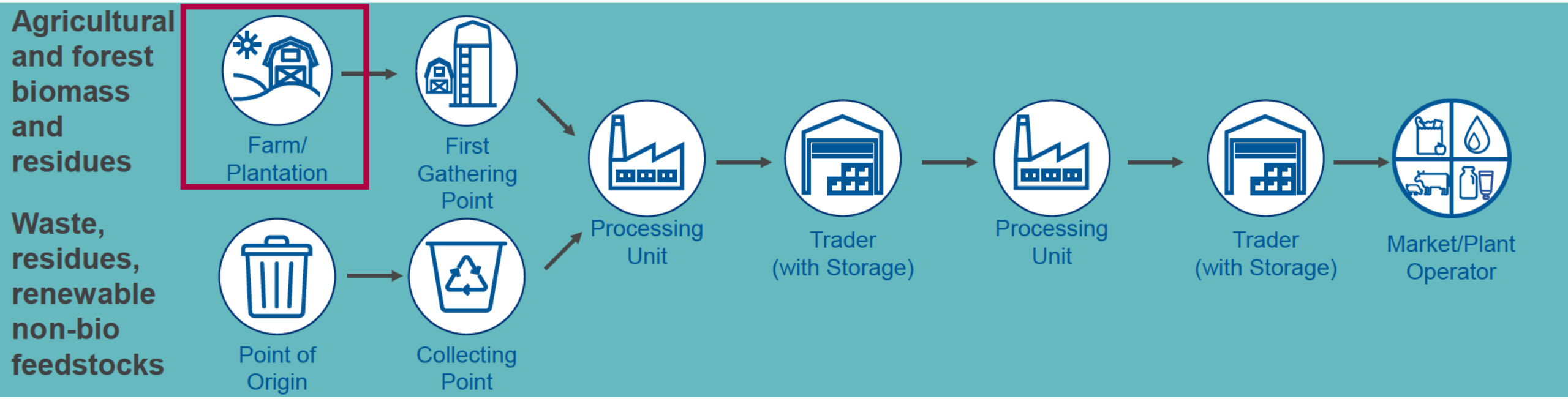
Sustainability in feedstock production- Requirements for farms and plantations in agricultural supply chains



ISCC Sustainability Principles

Principle 1

Protection of land with high biodiversity value or high carbon stock

Principle 2

Environmentally responsible production to protect soil, water and air

Principle 3

Safe workers conditions

Principle 4

Compliance with human and labour rights and responsible community relations

Principle 5

Compliance with land rights, laws and international treaties

Principle 6

Good management practices and continuous improvement

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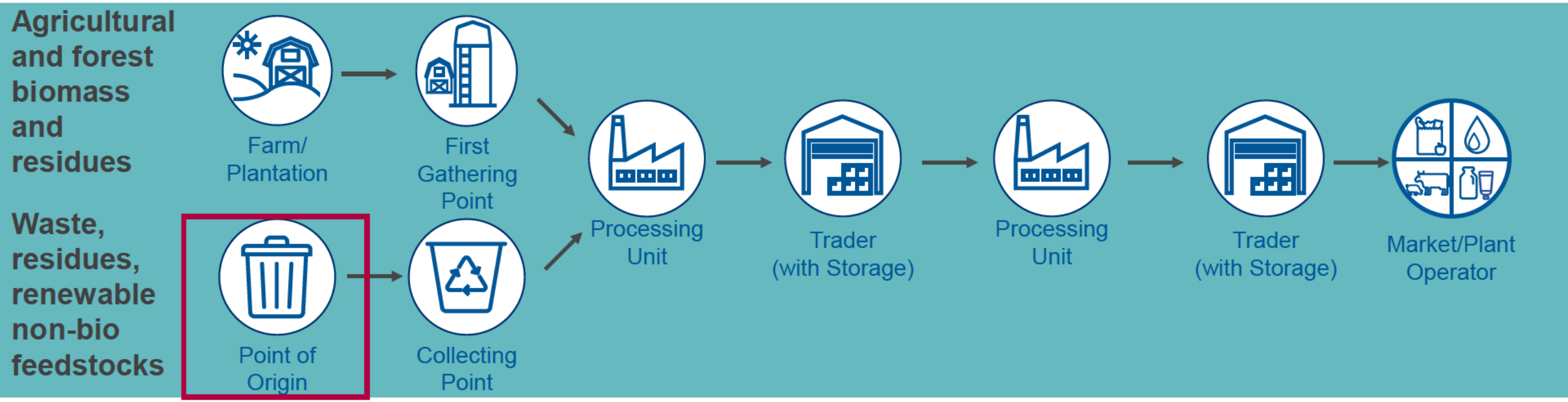
Sustainability in feedstock production- Requirements for Points of Origin in waste and residues supply chains



The correct declaration of the material at the point of origin is crucial in waste and residue supply chains

A point of origin (PoO) is the operation where waste or residues occur or are generated

Public or Communal Collection Sites, Landfill Operations

Public Containers

Business and Companies

Farms or plantations

1. Is the material a main product, i.e. was the material deliberately produced, e.g. by modifying the production process to produce the material or to produce more of it?

NO

2. Was the material intentionally modified or contaminated to meet the definition of a "waste", e.g. by adding a waste to a product and thus turning the product into a waste? — YES → **Critical Non-Compliance/Fraud**

NO

3. Does the holder discard, intend to, or is the holder (legally) required to discard the material? — YES → **Waste**

NO

4. Is the material a co-product, i.e. is it a primary aim of the production process or an end product that the production process directly seeks to produce? (If all of the following questions are answered with „Yes" the material is a product/ co-product. If at least one of the questions is answered with „No" the material is a processing residue)

- 4.1 Is a further use of the material (other than energetic applications) certain, e.g. in the feed market?
- 4.2 Can the material be used directly without any further processing other than normal industrial practice?
- 4.3 Is the material produced as an integral part of the production process?
- 4.4 Is the further use lawful?

YES → **Product/ Co-Product**

NO → **Processing Residue**

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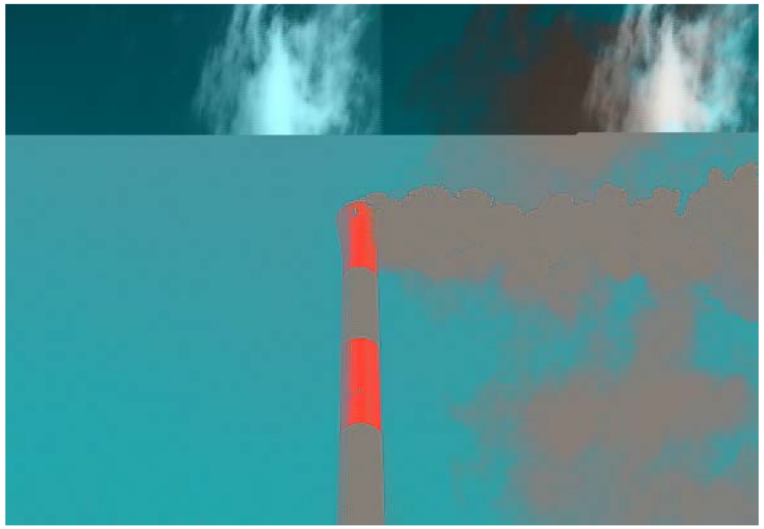

Verified reduction of GHG emissions

RED II provides the GHG calculation formula for biofuels/bioliquids

$$E = e_{ec} + e_l + e_p + e_{td} + e_u - e_{sca} - e_{CCS} - e_{CCR}$$

E	-	Total GHG emissions from supply and use of the fuel (in g CO_{2eq}/MJ)
e_{ec}	-	GHG emissions from the extraction or cultivation of raw materials
e_l	-	Annualized (over 20 years) GHG emissions from carbon stock change due to land use change
e_p	-	GHG emissions from processing
e_{td}	-	GHG emissions from transport and distribution
e_u	-	GHG emissions from the fuel in use
e_{sca}	-	GHG emissions savings from soil carbon accumulation via improved agricultural management
e_{ccs}	-	GHG emissions savings from carbon capture and geological storage
e_{ccr}	-	GHG emissions savings from carbon capture and replacement

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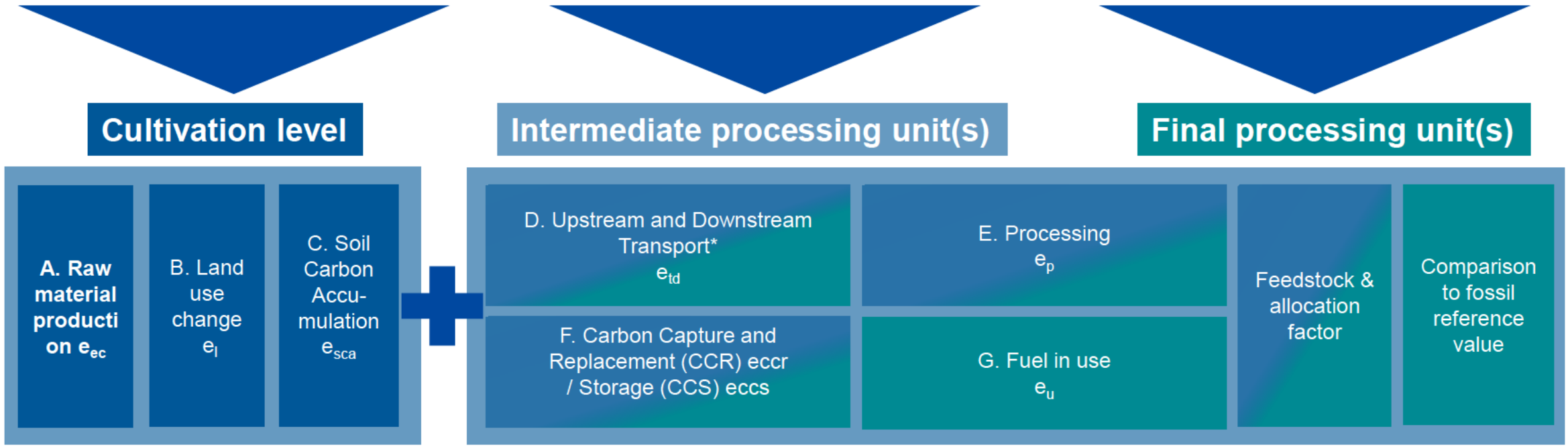
Different formula elements are relevant at different stages of the supply chain



$$E = e_{ec} + e_l + e_p + e_{td} + e_u - e_{sca} - e_{ccs} - e_{ccr}$$

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03

Risk management approach

Ensuring integrity and credibility is at the heart of the ISCC certification system

ISCC's Risk Management Approach

Stakeholder involvement

External, risk-based, third-party audits

Requirements for certification bodies & feedback mechanisms

Internal audits and self-assessments

ISCC Integrity Programme

Complaint procedures

Transparency & sanctions

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The ISCC Integrity Programme

- ISCC conducts integrity audits through independent integrity auditors to monitor the CBs' verification activities and companies' compliance with ISCC requirements
- Candidates are chosen partly on a random basis, and partly on a risk-based approach

- ISCC analyses the results from the integrity audits and derives adequate measures:
  - Adaptations of existing ISCC system documents, audit procedures, templates
  - Improved communication through System Updates, CB meetings, ISCC trainings, specific mailings to clarify requirements

- Possible consequences in cases where non-compliance is detected:
  - Suspension or withdrawal of certificate
  - Exclusion from re-certification
  - Warnings, Yellow Cards, or Red Cards for certification bodies
  - Exclusion of auditors

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Thank you!

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