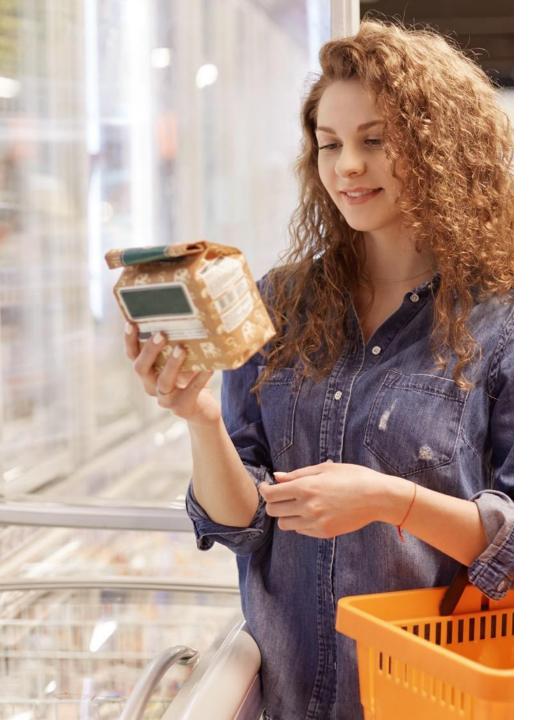


# ISCC Licensing Scheme for Brand Owners



# Advantages of the ISCC Licensing Scheme

- Third-party verification is an effective and proven way for brands to **increase consumer trust**
- Tailor-made solution for brand owners no audit necessary to receive a licence
- With a valid licence brand owners can communicate and **use ISCC logos and claims** (on- and off-product) in a **credible way**
- ISCC certification will become known among consumers which benefits brand owners
- ISCC can **protect its integrity** because brand owners at the end of the supply chain are covered under an ISCC licence agreement
- The licence database will increase credibility and transparency towards NGOs and the general public

# The ISCC Licensing Scheme only applies to brand owners at the downstream end of the supply chain



- The supplier of the ISCC-certified finished goods or packaging
  - holds a valid ISCC certificate at the time of delivery AND
  - issues ISCC sustainability declarations for each batch of ISCC-certified material to the licensee



- The licensee is
  - a brand owner at the end of the supply chain under whose brand name the finished good goes into the market



- The licensee
  - receives ISCC-certified finished goods and/or packaging
  - conducts only low-risk business activities

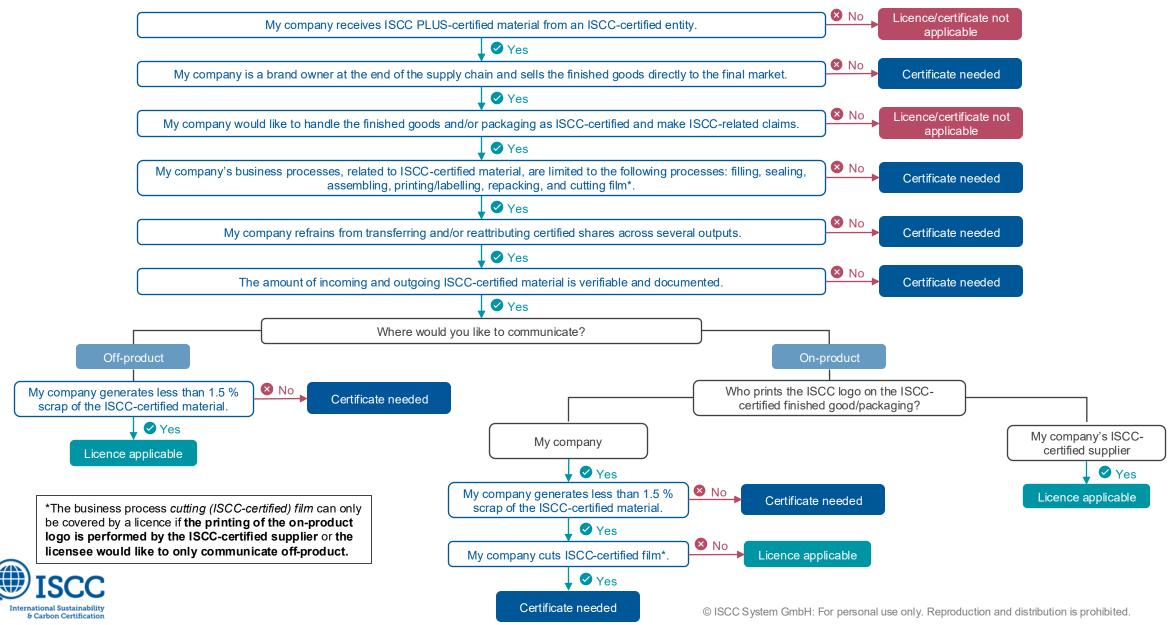




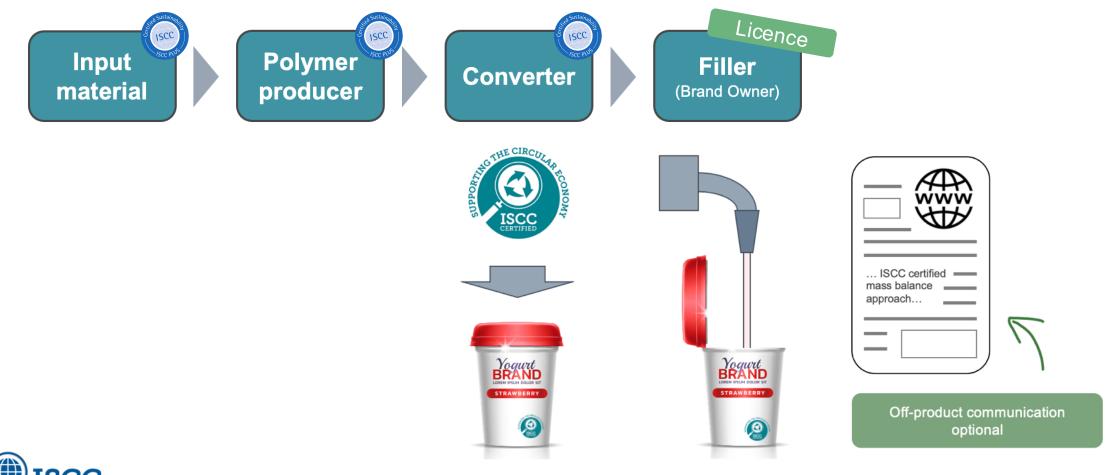


# Is a licence applicable for my company?

### **Decision tree**



**Applicable licence set-up - example 1:** The brand owner receives certified finished goods/packaging with the ISCC on-product logo and/or on-product claim





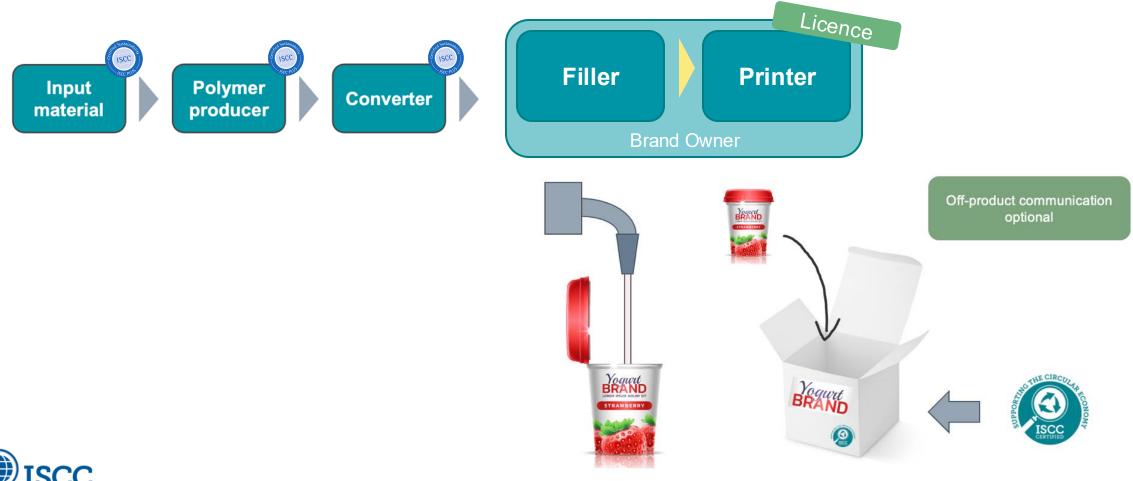
**Applicable licence set-up - example 2:** The brand owner only promotes the use of ISCC-certified finished goods/packaging via external communication channels (website, social media, etc.)







**Applicable licence set-up - example 3:** The brand owner prints the ISCC on-product logo and/or claim on the certified finished good/packaging or on an additional packaging









# How does the ISCC Licensing Scheme work?

# The licence agreement consists of a master agreement and individual agreement(s)

Master agreement

Individual agreement(s)

#### The master agreement

- Includes all legal clauses
- Can be set on a global, regional or specific division/business unit level
- It is up to the company how to set up the licence responsibilities depending on their corporate structure
- Signed by the **responsible person**, who has an overview of all brands that market ISCC-certified material

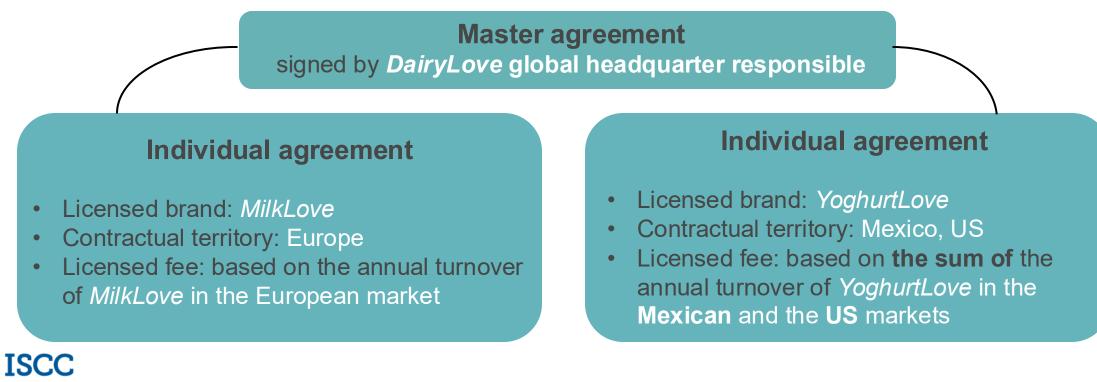
#### The individual agreement

- One agreement per brand
- Includes all relevant information about the finished goods of the brand in the contractual territory covered by the licence → unlimited number of finished goods can be covered by the licence
- Contractual territory can be global, regional or country-specific
- Signed by brand responsible
- Licence fee is based on the annual turnover of the brand in the contractual territory

# Example: master agreement established for a global headquarter

### Scenario:

The global company *DairyLove* has multiple brands *MilkLove*, *YoghurtLove* and *CheeseLove*. They would like to receive an ISCC licence for several finished goods of the brand *MilkLove* for the **European Market** and of **the brand** *YoghurtLove* for the **Mexican and US markets**, to be allowed to print the ISCC on-product logo on ISCC-certified finished goods.



# Example: master agreement established per region – 1

### Scenario:

The global company *DairyLove* has multiple brands *MilkLove*, *YoghurtLove* and *CheeseLove*. They would like to receive an ISCC licence for several finished goods of the brand *MilkLove* for the **European Market** and of **the brand** *YoghurtLove* for the **Mexican and US markets**, to be allowed to print the ISCC on-product logo on ISCC-certified finished goods.

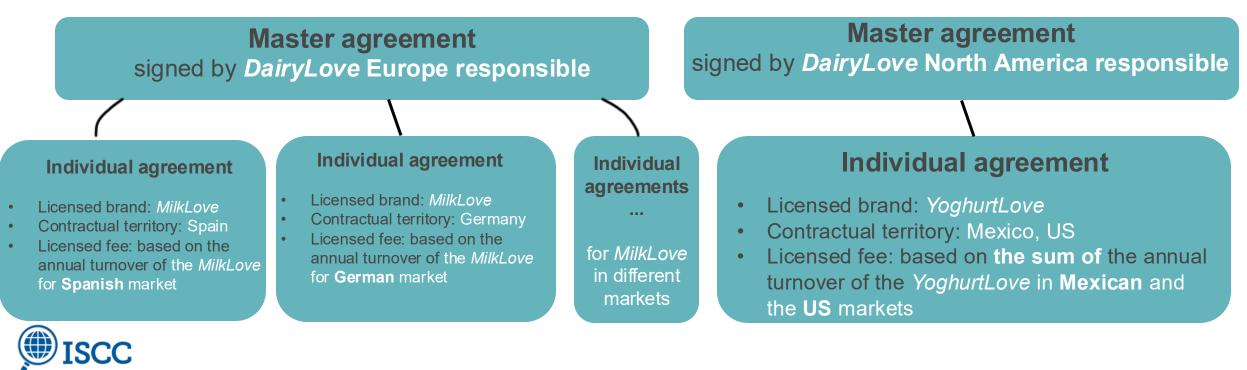




# Example: master agreement established per region – 2

#### Scenario:

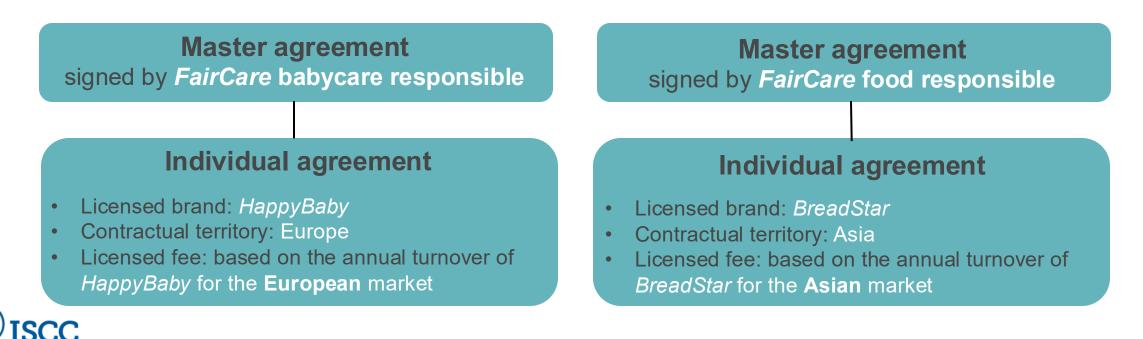
The global company *DairyLove* has multiple brands *MilkLove*, *YoghurtLove* and *CheeseLove*. They would like to receive an ISCC licence for several finished goods of the brand *MilkLove* for the **European Market** and of **the brand** *YoghurtLove* for the **Mexican and US markets**, to be allowed to print the ISCC on-product logo on ISCC-certified finished goods.



### Example: master agreement established per division

#### Scenario:

The global company *FairCare* covers the **babycare sector** with various brands (*HappyBaby, WellBaby*, etc.) as well as the **food sector** with various brands (*Chocolatery*, *BreadStar*, etc.) globally. They would like to receive an ISCC licence for several finished goods **of the brand** *HappyBaby* for the **European Market** and **of the brand** *BreadStar* for the **Asian market**, in order to be allowed to print the ISCC on-product logo on ISCC certified finished goods.





### Licensees can easily add more brands into their ISCC portfolio

Q: Is the new brand part of the company's structure that signed a master agreement?

- Yes → The licensee can add an individual agreement for the new brand under the existing master agreement.
- No → The licensee must sign a new master agreement and individual agreement for the new brand



# **Updates/additions in individual agreement(s)**

Brand owners can update/add the following information within the individual agreement at any time after the licence agreement is valid:

- Finished goods and corresponding launch dates
- Contractual territory
- ISCC-certified material and certified component(s)
- Licence fee

### How does the update work?

- 1. Licensee sends the updates/additions via e-mail to licence@iscc-system.org
- 2. After an internal review, ISCC will send an updated schedule of the individual agreement to the licensee as a confirmation → no additional signature is needed
- 3. Integration of updates/additions in the licence database after the agreed-upon effective date

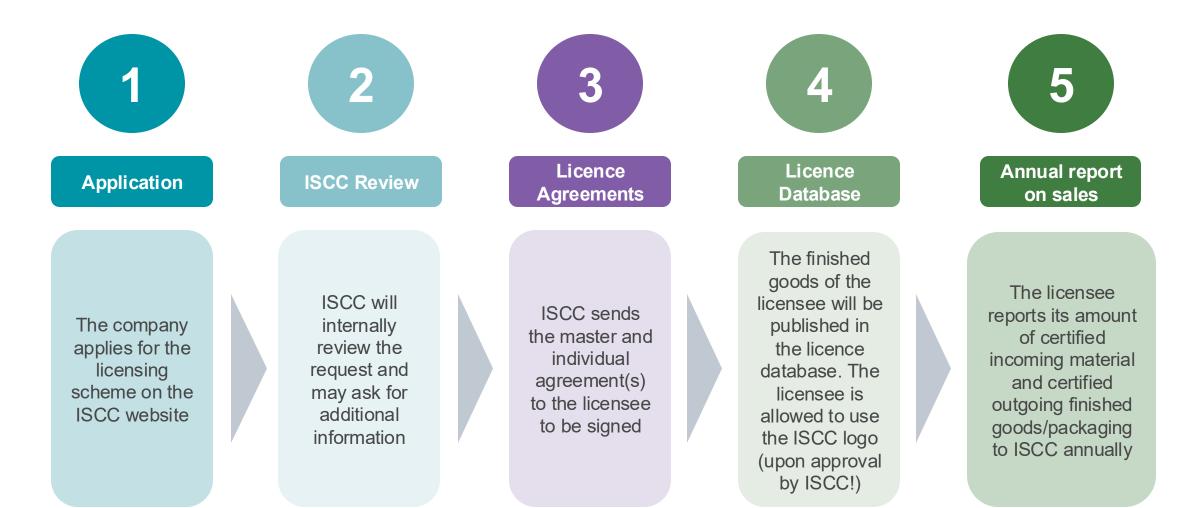






# How does the licence application work?

### **Licence application process**





# 1) Application process

- Brand owners can apply for the licensing scheme by filling in a form on the ISCC website
- The following information must be provided:
  - General information about the brand owner and the ISCC contact person
  - Brand- and product-related information (e.g. contractual territory, brand, and product name)
  - Information about the ISCC-certified material (e.g. certified material and components), the supply chain set-up and the potential logo use

#### Apply for a License

Does your company not hold a valid ISCC license agreement yet and you would like to start the process of obtaining one?

If you wish to apply for an ISCC license agreement, please provide us with the information below. Once we have received your application, we will internally review the request and reach out to you shortly.

Please note that this application form is to apply for a license. For approval of ISCC logos and ISCC claims, please fill in the Logo Application Form.

#### **General information**

Please take a look at the <u>decision tree for brand owners</u> to evaluate whether your company is eligible for an ISCC license.

#### Eligibility for an ISCC license \*

I herewith confirm that our company is eligible for the ISCC Licensing Scheme (according to the decision tree for brand owners)

Please insert the following information of the main contact person for ISCC.

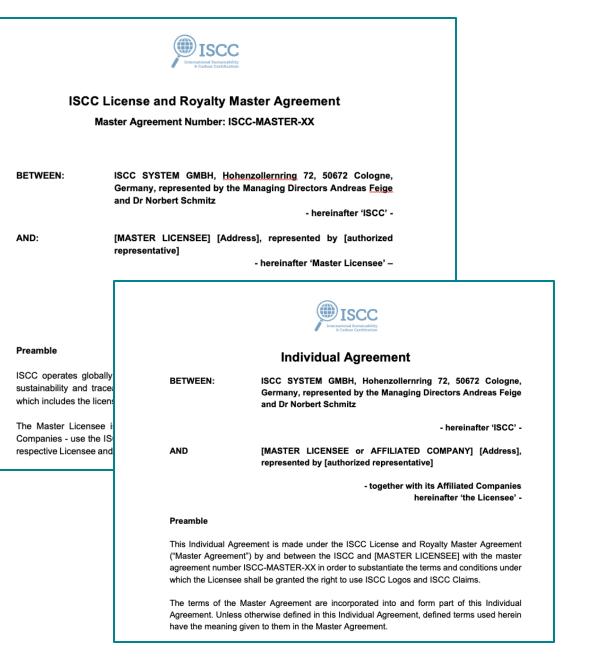
Title	First Name *	Last Name *
· · · · · · · · · · · · · · · · · · ·		
Company Name *		

#### Click here for the form



# 2) ISCC review and3) Licence agreements

- ISCC will review the application internally and may ask for additional information
- The licence agreements will be filled in by ISCC. If any information is missing, ISCC will reach out to the licensee for further clarification
  - The master agreement will include all the legal terms
  - The individual agreement will include all the product- and brand-related information





### 4) Licence database

- All licensees appear in the licence database after the launch date
- The licence database enables the verification of the correct use of the ISCC logos and claims and strengthens the credibility for end consumers

						Exai
Status	Licensed Brand	Finished Goods	Product or Packaging	License number	Eligible Markets	Valid from
?	Les vergers Boiron	Passion Fruit 100% 1 kg	Packaging	ISCC-L-119	Worldwide	2025- 03-01
2	Les vergers Boiron	Raspberry 100% 1 kg	Packaging	ISCC-L-119	Worldwide	2025- 03-01
2	Les vergers Boiron	Mango 100% 1 kg	Packaging	ISCC-L-119	Worldwide	2025- 03-01



# 5) Annual reporting

- The licensees must report on the certified incoming materials and certified outgoing finished goods/packaging on an annual basis (1<sup>st</sup> of January/effective date – 31<sup>st</sup> of December)
- The annual reporting deadline is 31<sup>st</sup> of March for the previous year





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### **ISCC** licence fees

Annual licence fees			
Annual turnover* (in Euro)	Fees per licence agreement	Fees per licence agreement (ISCC e.V. members)	
< 10 Million	1,500 € / year	1,200 € / year	
< 50 Million	2,500 € / year	2,000 € / year	
< 250 Million	4,000 € / year	3,200 € / year	
< 500 Million	6,500€ / year	5,200 € / year	
< 1 Billion	10,000 € / year	8,000 € / year	
< 2 Billion	15,000 € / year	12,000 € / year	
< 4 Billion	20,000 € / year	16,000 € / year	
< 7 Billion	25,000 € / year	20,000 € / year	
< 10 Billion	30,000 € / year	24,000 € / year	
> 10 Billion	35,000 € / year	28,000 € / year	

#### Fee calculation

\*The licence fee is charged per individual agreement and is based on the annual turnover of the entire licensed brand in the contractual territory.



## **ISCC licence fees – example 1**

#### Master agreement with DairyLove







Individual Agreement for **Brand** *MilkLove*  The individual agreement applies **in Europe**  Not a member of the ISCC association (ISCC e.V.)

Annual turnover of *MilkLove* in Europe is 150 million

Licence fee for the individual agreement is 4,000 € / year

Annual licence fees				
Annual turnover (in Euro)	Fees per licence agreement	Fees per licence agreement (ISCC e.V. members)		
< 10 Million	1,500 € / year	1,200 € / year		
< 50 Million	2,500 € / year	2,000 € / year		
< 250 Million	4,000 € / year	3,200 € / year		
< 500 Million	6,500€ / year	5,200 € / year		
< 1 Billion	10,000 € / year	8,000 € / year		
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< 4 Billion	20,000 € / year	16,000 € / year		
< 7 Billion	25,000 € / year	20,000 € / year		
< 10 Billion	30,000 € / year	24,000 € / year		
> 10 Billion	35,000 € / year	28,000 € / year		



# **ISCC licence fees – example 2**

Master agreement with FairCare food





Individual Agreement for **Brand Breadstar**  The individual agreement applies **in Asia**  Member of the ISCC association (ISCC e.V.)

Annual turnover of the *BreadStar* in Asia is 750 million

Licence fee for the individual agreement is 8,000 € / year

	Annual licence fees			
Annual turnover (in Euro)	Fees per licence agreement	Fees per licence agreement (ISCC e.V. members)		
< 10 Million	1,500 € / year	1,200 € / year		
< 50 Million	2,500 € / year	2,000 € / year		
< 250 Million	4,000 € / year	3,200 € / year		
< 500 Million	6,500€ / year	5,200 € / year		
< 1 Billion	10,000 € / year	8,000 € / year		
< 2 Billion	15,000 € / year	12,000 € / year		
< 4 Billion	20,000 € / year	16,000 € / year		
< 7 Billion	25,000 € / year	20,000 € / year		
< 10 Billion	30,000 € / year	24,000 € / year		
> 10 Billion	35,000 € / year	28,000 € / year		





# Thank you!

**ISCC System GmbH** 

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www.iscc-system.org



