

Zurich, 12 April 2021

New naturemade certification criteria as part of the certification guidelines version 4.0 - valid from 1 January 2022.

Criteria based on the development discussions.

1 Baseline situation

The certification guidelines are among the most important tools the VUE uses, yet they have never been fundamentally revised since the Association was established. This review is planned for the coming months, particularly in order to make the guidelines more user-friendly.

However, today we would like to share with you early information about the fundamental updates to be made to the guidelines, which reflect the changes made within the Association itself. These changes were resolved by the VUE Board on 8 April 2021. They concern updates regarding the new green funds and adjusted criteria for the supply of naturemade-certified energy.

- naturemade **green funds**
 - for naturemade star-certified hydroelectric power plants
 - for naturemade energy products
- Certification of energy supplies according to the naturemade, naturemade star and naturemade resources star quality standards
 - naturemade **electricity products**
 - Requirements regarding naturemade electricity products - minimum requirements
 - Incorporation of electricity subsidised under the KEV scheme for compensatory feed-in remuneration into naturemade electricity products
 - Use of the naturemade logos for electricity products to indicate a pathway towards green energy
 - naturemade **heat products**
 - Requirements regarding naturemade heat products and use of the naturemade logos
 - naturemade **biomethane/biogas products**
 - Requirements regarding naturemade biomethane/biogas products and use of the naturemade logos
 - Mixed products
 - Adjustment and adoption of minimum requirements
 - Certification conditions for energy products for **using the naturemade logo** and switching between quality levels

2 naturemade green funds

2.1 for naturemade star-certified hydroelectric power plants

The set of criteria for “Special requirements for hydroelectric power plants” in the current certification guidelines (version 3.1, pp. 27ff.; S-WK1 to S-WK5) is replaced by the following criterion:

<p>naturemade green funds for naturemade star-certified hydroelectric power plants</p>	<p>Hydroelectric power plants must establish and manage an “environmental improvement fund” to be awarded the naturemade star quality label.</p> <p>Contributions to the fund are made at a rate of 0.7 cents per kilowatt hour sold to end customers.</p> <p>The criteria and rules regarding the green fund are described in detail in the “naturemade Green Funds” guidelines, version 1.1. The guidelines set out the following topics:</p> <ul style="list-style-type: none"> – Accumulation of funds <ul style="list-style-type: none"> • Products subject to the fund levy • Amount of the fund levy – Management of fund monies/Organisation of the steering committees <ul style="list-style-type: none"> • Management of fund monies • Organisation of the steering committees – Use of fund monies <ul style="list-style-type: none"> • Allocation of fund monies to specific purposes • Purposes – Responsibility/reporting/monitoring – Termination of license – Fund dissolution
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2.2 for naturemade energy products

<p>Green funds for naturemade electricity products</p>	<p>All naturemade star-certified electricity supplied to end customers as part of naturemade and naturemade star supply licenses (= quantity of deleted naturemade or naturemade star proofs of origin respectively) is subject to a green fund levy.</p> <p>The payable fund levy is 0.7 cents per kilowatt hour for all naturemade star electricity sold to end customers.</p> <p>The criteria and rules regarding the green fund are described in detail in the “naturemade Green Funds” guidelines, version 1.1. The guidelines set out the following topics:</p> <ul style="list-style-type: none"> – Accumulation of funds <ul style="list-style-type: none"> • Products subject to the fund levy • Amount of the fund levy – Management of fund monies/Organisation of the steering committees <ul style="list-style-type: none"> • Management of fund monies • Organisation of the steering committees – Use of fund monies <ul style="list-style-type: none"> • Allocation of fund monies to specific purposes • Purposes – Responsibility/reporting/monitoring – Termination of license – Fund dissolution
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3 Certification of energy supplies according to the naturemade, naturemade star and naturemade resources star quality standards

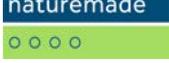
The simplification achieved by the “One Label” strategy has resulted in some adjustments to the supply criteria. New definitions apply to the requirements regarding the product design and the mandatory adoption of (annual) adjustments, the incorporation of (KEV)-subsidised electricity into products and the certification/recertification of energy supplies in particular.

3.1 naturemade electricity products

<p>Requirements regarding naturemade electricity products - minimum requirements</p>	<p>The following requirements apply to electricity products:</p> <ul style="list-style-type: none"> – naturemade-certified electricity products contain exclusively electricity or proofs of origin respectively that is/are derived from naturemade, naturemade star or naturemade resources star-certified plants. The KEV-subsidised electricity content may be incorporated, provided that certain conditions are met. – Suppliers selling naturemade-certified electricity products to end customers must achieve a certain minimum quota of electricity sourced from naturemade star-certified plants for each certified electricity product. For the coming years, the minimum quota is: <ul style="list-style-type: none"> • 2022: 10 percent • 2023: 11 percent • 2024: 12 percent • 2025: 13 percent • 2026: 14 percent – This quota is measured by the entire volume of electricity effectively sold to end customers as part of the respective product (including supplies by sub-licensees). – Volumes sold to traders are not affected by this quota.
<p>Incorporation of electricity subsidised under the KEV scheme into naturemade electricity products</p>	<p>The naturemade quality seal is used in the free market. In terms of legal compliance, KEV-subsidised electricity may be incorporated into all naturemade/naturemade star/naturemade resources star-certified electricity products. The following must be noted in this regard:</p> <ul style="list-style-type: none"> – naturemade-certified electricity products (1-3 dots): The defined minimum quota of naturemade star electricity must always be covered by electricity from naturemade star-certified plants. – naturemade star (4 dots) and naturemade resources star-certified electricity products: If KEV-subsidised electricity is incorporated into the product and not backed up by naturemade star or naturemade resources star electricity respectively, the certified electricity product is categorised as comprising a correspondingly lower portion of electricity from naturemade star or naturemade resources star-certified plants respectively. This needs to be communicated accordingly. – There is always the option of voluntarily backing up KEV-subsidised electricity with proofs of origin of naturemade star quality, if the relevant product is to contain 100% electricity of this quality. <p>Licensees are responsible for diligent and correct communications with their end customers. They may use wordings such as “naturemade star including KEV-subsidised electricity” or “naturemade star and KEV-subsidised electricity” or “naturemade star with KEV-subsidised electricity” or “100% naturemade star electricity” (if back-up cover with naturemade star proofs of origin is obtained).</p>

<p>Use of the naturemade logos for electricity products to indicate a pathway towards green energy</p>	<p>If more than the minimum quota of electricity defined by the VUE is sourced from naturemade star-certified plants and supplied to end customers as part of the certified electricity product in keeping with the pathway towards green energy, this may be visualised in the naturemade logos according to the following table:</p>				
<p>Portion of electricity from naturemade star-certified plants</p>					
<p>Portion of electricity from naturemade resources star-certified plants</p>	<p>Minimum requirements</p>	<p>Minimum requirements + 10 percent</p>	<p>Minimum requirements + 30 percent</p>	<p>100 percent or 100 percent minus KEV-subsidised electricity¹</p>	<p>100 percent or 100 percent minus KEV-subsidised electricity</p>

3.2 naturemade heat products

<p>Requirements regarding naturemade heat products and use of the naturemade logos</p>	<p>The following requirements apply to heat products:</p> <ul style="list-style-type: none"> – naturemade-certified heat products contain exclusively heat that is derived from naturemade, naturemade star or naturemade resources star-certified plants. 				
<p>Portion of heat from naturemade star-certified plants</p>					
<p>Portion of heat from naturemade - certified plants</p>	<p>100 percent</p>	<p>A possible use of the logos above resp. minimum requirements are not yet defined for heat products.</p>	<p>100 percent</p>		
<p>Portion of heat from naturemade resources star-certified plants</p>				<p>100 percent</p>	

¹ According to the electricity disclosure communication of the Federal Office for Energy in the respective year - see also the relevant criterion for the incorporation of KEV-subsidised electricity.

3.3 naturemade biomethane/biogas products

<p>Requirements regarding naturemade biomethane/ biogas products and use of the naturemade logos</p>	<p>Biomethane/biogas products are only identified by the naturemade star quality label (4 dots and the supplement “star”). All biomethane/biogas (100%) must be derived from naturemade star-certified plants.</p>	
<p>Mixed products</p>	<p>naturemade star-certified biomethane/biogas may be marketed as a mixed product together with natural gas. The relevant, specific conditions are described in the Communications and Design Guidelines.</p>	

3.4 Adjustment and adoption of minimum requirements

<p>Adjustment and adoption of minimum quotas in naturemade energy products (electricity, heat, biomethane/ biogas)</p>	<p>Licensees currently certified according to the certification guidelines, version 4.0 and above, put together their naturemade-certified energy products according to the quality differentiation (including naturemade star quotas) provided in the most recent certification guidelines. Any adjustments are communicated early on, at least 5 years in advance.</p>
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3.5 Conditions for using the naturemade logo for energy products and switching between quality levels

<p>Conditions for using the naturemade logo for energy products and switching between quality levels</p>	<p>If licensees wish to sell a product to end customers under the naturemade quality label (1-4 dots) or naturemade resources star quality label, they need to have a supply license. Supply licenses need to be recertified every five years.</p> <ul style="list-style-type: none"> – A separate naturemade supply license is required for each energy system (electricity, heat, biomethane/biogas). – A separate supply license for each energy system (electricity, heat) is required for energy products bearing the naturemade resources star quality label. – If the quality level (1-4 dots) of the supply license changes, no new certification or recertification is required, but the licensee needs to provide a relevant declaration together with the annual review audit. – Suppliers may put together their products freely, as long as they comply with the required minimum quota and the Communications and Design Guidelines. – The correct use of the logo (1-4 dots) and the quality levels is examined as part of the annual review audit and each recertification audit.
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