

# ONE TOOL TO COVER FIVE DIMENSIONS OF LEADERSHIP

IN THE TRANSITION TO 100% RENEWABLE ENERGY

**EKOENERGY ECOLABEL** 

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## THE DECADE OF DELIVERY

To keep global warming limited to 1,5°C above pre-industrial levels, we need to reduce our carbon emissions drastically - by a stunning 7,5% each year. The alternative is that we exceed the 1,5 degrees global warming threshold, and as recent research has shown, that would come at a huge cost: A fast increase of extreme weather events, a huge impact on food production and on health, potentially even the disruption of societies.

No surprise that this decade has been declared the "decade of delivery". The time of procrastination is over - It's time for climate action now!

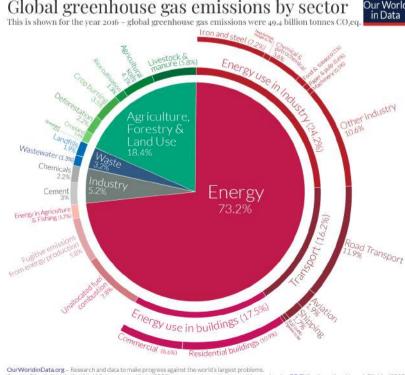
As more than 70% of the global greenhouse gas emissions are related to energy consumption, switching away from fossil energy to carbon-free energy is an absolute priority. Luckily, this is perfectly doable: The technologies exist and can be implemented

anywhere. Particularly solar and wind energy are now available at very competitive prices.

According to the RE100's <u>Business Leadership</u> in the <u>Transition to Renewable Electricity</u> paper, "The first step in a company's journey to leadership in the renewables space is the active and deliberate choice a company makes to begin sourcing renewable electricity. By taking an active approach to meeting their renewable energy needs, companies can accelerate the deployment of renewable energy capacity by using their purchasing power and/or investment capacity." (p.5)

The paper frames five dimensions of showcasing leadership: Ambition, impactful procurement, sustainability, influence, transparency. Regardless of size, sector, consumption or geographical location of consumers, the EKOenergy ecolabel can contribute to efforts in all of these five dimensions and amplify climate leadership.





### Taking an extra step with the EKOenergy ecolabel

The EKOenergy ecolabel was launched by environmental NGOs in 2013 as a nonprofit tool to promote renewable energy, incorporating nature protection and fighting against energy poverty. In our capacity as an independent nonprofit, we aim at empowering and guiding energy consumers.

Our vision is of a world where:

- energy is generated and consumed sustainably,
- we live with respect for nature and biodiversity,
- we achieve the UN's Sustainable Development Goals.

The EKOenergy label is an internationally recognised mark of quality aiming at bringing the world one step closer to this vision.

The ecolabel is available for renewable electricity, gas, heating and cooling. Energy carrying the EKOenergy label isn't only renewable, but also fulfils additional sustainability criteria. These criteria take into account the impact of renewable energy production on nature.

By using the ecolabel, consumers contribute to EKOenergy's Climate Fund which enables us to grant funds to new clean energy projects in developing countries.

Through our label, consumers can demonstrate their commitment to renewable energy, which encourages others to do the same. The ecolabel makes it easier



for consumers to demand sustainable energy and also communicate about it to their employees, peers and clients.

We are constantly working on ways to amplify consumers' efforts in sustainability communication. EKOenergy follows the renewable energy markets in different regions closely and is becoming increasingly available through pragmatic and feasible renewable energy solutions worldwide. This want make sustainable way, we to renewable energy more available consumers of all sizes.

#### **EKOenergy's ambition**

 Increasing knowledge and discourse around renewable energy and biodiversity, among the public in general and decision-makers and large corporate consumers in particular.

- Speeding up the transition to 100% renewable energy.
- Protecting local ecosystems and restoring river habitats through our Environmental Fund.
- Developing and promoting the EKOenergy label to encourage sustainable generation of energy and to help consumers find such energy.
- Providing access to clean energy and alleviating energy poverty in developing countries through our Climate Fund.
- Cooperating and forming partnerships with other environmental NGOs, so that our work complements each other's efforts.
- Helping to realise the UN's Sustainable Development Goals (SDGs).

## One label. Six goals

















#### **EKOENERGY IN NUMBERS**



EKOenergy-labelled energy is available in **+65** countries



**60** clean energy projects financed



Applicable to **all methods** of sourcing renewable energy.



**+400,000 €** granted for river restoration projects



**10** RE100 companies use EKOenergy in several countries



**24** river restoration projects financed



Offered by **80+** licensed sellers worldwide



6 communication campaigns since 2014



Raised **+1,3 million €** for new clean energy projects



Communication materials available in **22** languages

#### **EKOENERGY'S JOURNEY**

2013	
The ecolabel	
was launched	
in Europe	

2015
Globalisation and expansion into other continents

2017 Criteria for renewable gas are approved

Available for renewable heat

2020

#### **CHAPTER 1**

## **AMBITION**

By referring to the EKOenergy criteria, companies can streamline their sourcing requirements and act faster.

The RE100 leadership paper describes ambition as "how far and how fast an organization aims to progress in sourcing renewable power. Ambition on renewable electricity is focused around the overall scope of the target and the timescale for action".

p.8 of Business Leadership in the Transition to Renewable Electricity

EKOenergy is available worldwide. In order to carry the EKOenergy ecolabel, energy needs to be reliably tracked (in line with the requirements of the Greenhouse Gas Protocol Scope 2 Guidance) and fulfil additional sustainability criteria.

The logo is protected in all continents and our network of licensed sellers is expanding. This helps companies to exercise their ambition worldwide, regardless of their size or consumption pattern in a specific country or region.

EKOenergy helps companies identify energy that fulfils the same quality criteria everywhere.

By choosing EKOenergy-labelled energy in a specific market, consumers help EKOenergy smoothen the path for other companies in the same country. This stimulates interest from the energy suppliers and encourages them to develop their own green energy portfolio as well. As such, your ambition makes it easier for other companies to step up their ambition too.

#### The EKOenergy ecolabel is applicable for gas, electricity and heat

As a growing number of companies commit to 100% renewable electricity, much more work needs to be done with regard to renewable gas and renewable heat & cold. So far the market is concentrated in Europe, but EKOenergy is eager to explore options to make EKOenergy-labelled renewable gas, heat and cold available in other regions too.



SAP was the first German company to adopt Science Based Targets (SBT) and they became one of the first 15 members of the RE100 coalition in January 2015, just a couple of months after its launch.

While committing to a rapid transition to 100% renewable electricity, SAP didn't give in on quality and impact. This is why they sought the EKOenergy ecolabel, as a way to get the same level of quality guaranteed worldwide.

SAP was also the first company to refer to the internationally recognised EKOenergy label in its tenders. Their trust in EKOenergy's solid expertise made them one of the first RE100 members to switch to 100% EKOenergy-labelled renewable electricity in countries such as China and India too. This, in turn, helped EKOenergy to communicate about corporate sourcing of renewable energy to agencies, energy companies and other stakeholders in Asia.

In an interview on EKOenergy's website, SAP's head of sustainability, Marcus Wagner, specifies that EKOenergy supports SAP's strategy to opt for 100% green electricity:

"EKOenergy consumers receive an internationally recognised green electricity label. In addition, SAP supports the 17 Sustainable Development Goals and therefore welcomes the global effort to assure affordable and clean energy. EKOenergy is supporting this goal, because through SAP's investment in the EKOenergy Climate Fund, EKOenergy invests in new projects for climate protection and renewable energy."



#### **CHAPTER 2**

## IMPACTFUL PROCUREMENT

The RE100 leadership paper distinguishes two types of impact:

"Direct impact is the result of a sourcing strategy that directly enables or finances a new renewable electricity asset, or part of it, either through investment or through a financial commitment from the sourcing entity (e.g. long-term power purchase agreement)."

"Indirect impact is the result of a sourcing strategy where the sourcing is not directly financing or enabling new renewable electricity capacity, but which could be indirectly incentivizing the development of new capacity through other mechanisms (e.g. sending important market signals)."

p.12 of Business Leadership in the Transition to Renewable Electricity

The EKOenergy ecolabel can be combined with all types of renewable energy sourcing: On-site installations, green tariffs, PPAs, unbundled purchase of Energy Attribute Certificates (such as RECs) and more. This gives companies the possibility to opt for EKOenergy from the beginning, and adapt their sourcing strategies gradually as markets develop.

The RE100 Leadership paper lists a series of strategies that companies can deploy to maximise impact through various sourcing methods. In the table on the next page, we explain how adding the EKOenergy label further increases the positive impact of each of these sourcing methods.



## Adding the EKOenergy ecolabel on the procurement methods listed in the RE100 Business Leadership Paper

Procurement Method	Using the EKOenergy label
Self generation (on-site or offsite)	Self generation is a solution often considered to cover part of consumption. The consumer can use EKOenergy-labelled renewable energy from their on-site installation if:  • The installation fulfils EKOenergy's sustainability criteria  • The consumer contributes 0.10 € per MWh of consumed electricity to EKOenergy's Climate Fund, to help fund new clean energy projects for addressing the SDGs in developing countries.  • The remaining consumption can be covered by a green tariff or EACs*.  Using the EKOenergy ecolabel for electricity consumption coming from on-site installations:  • Gives the consumer the right to use the logo  • Contributes to new clean energy projects that fight energy poverty  • Supports advocacy work and the promotion of renewables worldwide  *An EKOenergy-licensee (such as an EKOenergy-licensed energy retailer, aggregator or service provider) can represent several prosumers and serve as a contact point for the consumers.
Physical PPA (on-site or offsite)	PPAs (Power Purchase Agreements) are a dynamic tool and are constantly developing to match the various needs and demands of consumers.  When included in a PPA deal, the EKOenergy ecolabel signifies that the social and climate impact of a PPA reaches beyond the point of generation and consumption, and helps fight energy poverty in off-grid areas of developing countries. Every consumer gives EKOenergy extra leverage to reach the local authorities and stakeholders in emerging markets and to promote the development of the renewable energy sector.  PPA terminology is complicated not only for the general public but also for the
Virtual PPA (offsite)	consumer's internal communications. Having the endorsement of an independent, nonprofit nature conservation NGO makes communicating about the PPA easier and conveys a clear message. Both the offtaker and the PPA facilitator can announce the extra commitment by announcing the addition of the EKOenergy ecolabel.  An EKOenergy-labelled PPA deal:  Requires at least one party supplying the offtaker to be a licensed seller of EKOenergy (meaning they sign the EKOenergy license agreement)  Highlights the additional care about environmental sustainability  Gives the consumer the right to use the logo  Contributes to new clean energy projects that fight energy poverty  Supports advocacy work and promotion of renewables worldwide
Green tariff	Available in partially or completely liberalised markets, this is an easy choice for consumers of all sizes, including households. A great step to begin and build on for a company not knowledgeable in EAC markets.  An EKOenergy labelled tariff  Can be offered by an energy company that has signed the EKOenergy license agreement  Gives the consumer the right to use the logo  Contributes to new clean energy projects that fight energy poverty  Fulfils extra criteria for environmental sustainability  Supports advocacy work and promotion of renewables worldwide

Procurement Method	Using the EKOenergy label
Unbundled EACs	Available in most liberalised and restricted markets, EACs help avoid double counting and enable companies to make claims. Unbundled EACs can be offered with the EKOenergy ecolabel if  • The seller has signed the EKOenergy license agreement  • The EKOenergy Secretariat approves that the generation fulfils extra sustainability criteria  • Consumption should take place in the same market (according to the GHG Protocol Scope 2 Guidance)*  • The EACs are redeemed within 12 months after generation.  In addition, the ecolabelled EACs:  • Give the consumer the right to use the logo  • Contribute to new clean energy projects that fight energy poverty  • Fulfil extra criteria for environmental sustainability  • Support EKOenergy's advocacy work and promotion of renewables worldwide  *When there is no other option available for a consumer interested in taking action, EKOenergy also accepts the use of EACs from production units located in neighbouring markets, instead of waiting until new alternatives develop. In a consumer-led market, alternatives develop when interested consumers start taking action, EKOenergy's viewpoint is to start with a less than ideal action, to build on later. For more information, refer to our articles about unique claims and corporate sourcing in emerging markets.
Claiming grid mix	EKOenergy doesn't endorse this method, it doesn't indicate active involvement and brings the risk of double counting.





## Direct impact through EKOenergy's Climate Fund projects

EKOenergy grants funds to new, clean energy projects in developing countries to bring the benefits of reliable electricity connection to offgrid areas and make a concrete impact by addressing the UN's Sustainable Development Goals. Every EKOenergy user contributes to the realisation of these projects; extra donations are always welcome but not required.

The EKOenergy ecolabel is a nonprofit and cost effective solution that meets companies' CSR engagements in several different ways (see also Chapter 3 for Sustainability).

Business Leadership in the Transition to Renewable Electricity paper refers to the EKOenergy ecolabel as "the international EKOenergy label, which tackles energy poverty through its Climate Fund" (p.19) and EKOenergy's Climate Fund is explicitly mentioned in Chapter 11 of the Greenhouse Gas Protocol Scope 2 Guidance.

Thanks to EKOenergy's Climate Fund, switching to renewable electricity is not only a transaction between the buyer and the seller, but a conscious choice that impacts disadvantaged communities in developing regions of the world.

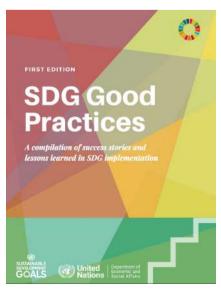
This has both direct and indirect impact: Direct impact involving the small scale electrification of remote, off-grid areas (and decreasing the use of polluting sources such as kerosene by the locals) and indirect impact by addressing the SDGs and demonstrating to the local authorities the viability of renewable energy installations, to name a few.

The climate projects EKOenergy finances are:

- selected by an independent jury (consumers of EKOenergy are encouraged to take part in the selection),
- viable long term, sustainable and replicable,
- carried out with the involvement of the local communities.

In addition, these climate projects

- demonstrate strong links with several of the UN Sustainable Development Goals,
- have relevance and a positive impact on the lives of local communities,
- offer extra opportunities for promoting the benefits of renewable energy and for informing the users of EKOenergylabelled energy on how their contributions are being spent.



<u>UNDESA's SDG Good Practices</u> <u>publication features the</u> <u>EKOenergy ecolabel</u>





HSY is the largest consumer using the EKOenergy ecolabel for their own production. Through EKOenergy's Climate Fund, HSY help finance new renewable energy projects with a direct positive impact.

Raimo Inkinen, the Managing Director of HSY said "We clearly saw EKOenergy-labeled electricity as the best green electricity option for the environment. Since HSY's own electricity production also meets EKOenergy's strict environmental criteria, the decision to switch to EKOenergy-labeled electricity was natural for us."

In addition to their contributions to the Climate Fund, HSY also choose to link their own contributions to one of the selected projects.

For example in 2021, HSY's contributions to EKOenergy's Climate Fund were used to finance a specific solar energy project in Mali. The project, taking place in the surroundings of Bamako in Mali, promotes the introduction of solar energy in farming, particularly for irrigation purposes.

## Solar energy for irrigation of communal gardens in Mali

The aim of this project is to support a solar-powered water tower and well, in addition to solar dryers to preserve crops in the market gardens. These gardens are used by women in the central villages of the Sanankoroba and Dialakoroba communes in Mali.

The project also supports women's village associations to rehabilitate the areas. The aim is to strengthen sustainable livelihoods for women and their families, while reducing their involvement in the unsustainable firewood trade.

The direct beneficiaries of the project encompass about 300 women and girls. The project is implemented by Association Malienne pour la Conservation de la Faune et l'Environnement.

Just like other Climate Fund projects EKOenergy has financed, this installation addresses several of the UN's Sustainable Development Goals (SDGs). The project also covers advocacy work to integrate wind and solar energies into local and regional development plans.

## Indirect impact through EKOenergy's campaigns and advocacy work

EKOenergy's international nature helps us use our achievements in one country as a leverage to push for renewable energy actions and legislations in other parts of the world. We share information in 8+ languages to inform companies that they can go the extra mile in the available market structures and encourage them to act now.

Among other languages, our website is also available in Arabic, Chinese, French, Portuguese, Russian, Spanish, Turkish and partially in Vietnamese and Korean too. In order to inform energy consumers and raise awareness about the use of sustainable renewable energy, we also prepare leaflets and other materials in many languages.

The users of EKOenergy-labelled renewables can choose to go public about their energy choice. We encourage EKOenergy users to communicate about their EKOenergy use, and also to use the logo on their products,

facilities, websites as well as making use of other ways to showcase their choice of going the extra mile by consuming environmentally sustainable renewable energy. For more information on why and how to communicate with our logo, see also Chapter 4.

## EKOenergy's communication campaigns

We regularly set up renewable energy campaigns, targeting companies of a specific sector and encouraging companies in that sector to switch to 100% renewable energy. These campaigns involve active outreach to companies in their local languages to inform them about the availability of EKOenergy-labelled renewables in their area.

Examples include campaigns targeting breweries, green buildings, the tourism sector, fashion industry, cosmetics industry and others. EKOenergy's brewery campaign was among the finalists for the EU Sustainable Energy Week Awards in 2018.





#### EKOenergy's advocacy work

EKOenergy acts as a bridge between different stakeholders in the energy sector and uses the existing best practices in the international arena to push for further climate action in emerging markets.

We get in touch with local authorities and market players to share consumers' concerns and best practice examples to contribute to market development.

EKOenergy also follows European energy policy (see more under Chapter 4 Influence, p.17). and is a member of IRENA's Coalition for Action and Climate Action Network.

#### Local company Solergie to power villages in Togo

After the implementation of EKOenergy's Climate Fund projects, the Togolese government appointed the local company Solergie to bring renewable energy to 100,000 off-grid families.

EKOenergy granted 49,000 euros in total to the Belgian initiative Solar Without Borders and their Togolese partner Solergie between 2016 and 2019. This enabled them to finance the first smart solar nano-grids and launch Solergieboxes in off-grid Togolese villages.

In 2020, the government of Togo listed Solergie's nanogrids as one of the tools to reach the country's objective to electrify the whole country by 2030. The two initial projects that brought Solergie to this point were made possible with the 0.10 euro per MWh of contribution that goes to EKOenergy's Climate Fund from EKOenergy users worldwide. Solergie has now received a license for 15 years including exemption of import taxes, VAT and a subsidy from the Togolese government.

#### **CHAPTER 3**

## SUSTAINABILITY

EKOenergy is pushing for the use of biodiversity-friendly energy worldwide.

"Companies wishing to demonstrate leadership through sustainability efforts should pursue procurement strategies that maximize the numerous co-benefits associated with renewables while minimizing the negative impacts. This will help companies reach their corporate sustainability goals, often a key driver for their decision to procure renewable electricity."

p.19 of Business Leadership in the Transition to Renewable Electricity

The expansion of renewable energy often requires the construction of large structures, which need to be placed beyond residential areas where there is a higher possibility of posing extra threat to wildlife. A massive deployment of renewable energy in harmony with nature is possible by taking the environmental impact in each location into account.

Rather than posing a threat to biodiversity, renewable energy development can offer opportunities for nature. Marine reserves and no-fishing areas around offshore wind farms and habitat restoration on solar farms located in degraded areas are examples where development of renewable energy installations can go hand in hand with improved nature protection and restoration. These are topics EKOenergy is planning to explore further in the coming years, together with producers and consumers.

## EKOenergy's sustainability criteria in a nutshell

- Wind and solar energy can be sold as EKOenergy-labelled electricity if the installations are located outside protected nature areas and outside important bird areas. The same rules apply to energy from geothermal installations and marine energy installations.
- EKOenergy-labelled **hydropower** comes from installations that fulfil EKOenergy's sustainability criteria. These safeguard a continuous flow, take fish migration into account and leave suitable habitats for aquatic species. The last remaining free flowing rivers and river stretches should remain free, so EKOenergy only works with dams built before 2013.
- For bioenergy, including biogas, we only accept the use of organic waste and residues.
   Eligible sources include organic waste from agriculture, municipalities and industry.



Consumers of EKOenergy-labelled hydropower get electricity from power plants that take river ecosystems and fish migration into account. This is in addition to contributing to the river restoration projects that take place via EKOenergy's Environmental Fund.

Once a year, EKOenergy organises a call for projects, after which a jury of independent experts helps select the most impactful proposals. All measures are implemented by experienced organisations.

Since financing the first projects in 2015, EKOenergy has financed 24 projects with a total sum of 419,057.00 €.

Thanks to the demand for EKOenergy-labelled hydropower in Germany, we granted 43,000€ to two projects of BUND, Friends of the Earth Germany. These projects contributed to the restoration of the Schnegäer Mühlenbach. This stream in Lower Saxony is a part of the German green belt and is also one of the last habitats of the endangered thick-shelled river mussel (Unio crassus).

The project reconnected an old meander to the main stream, creating a habitat suitable for mussel reproduction. As part of the second project, about 600 tons of gravel was added to a part of the river that had previously been deepened and has become monotonous.

The project involved measures to modify and diversify the water flow, in order to restore the aquatic ecosystem. Among the other species benefiting from the restoration measures are otters, European crayfish and river dragonflies living in the stream, in addition to a high population of the rare fire salamander that lives close to the river.



Ecoalf, founded in Spain in 2009, uses recycled material such as plastic bottles, fishing nets, coffee grounds and tyres in most of its products. Combining innovation and recycling in a unique way shows that things can be done differently and this has earned Ecoalf international recognition. Through its Upcycling the Oceans project, Ecoalf helps remove marine debris from the bottom of the oceans and use it as raw material for its products.

Ecoalf uses innovation and recycling as a tool to reduce the negative impact of the fashion industry. The company has been using EKOenergy approved energy since the end of 2017, through the Spanish renewable energy seller Ecovatios. Ecoalf sees choosing EKOenergy as part of the many actions they take to increase the

sustainability of their business. "By itself, these are small actions but together they add up and do make a difference," says Carol Blázquez, Head of Innovation and Sustainability at Ecoalf.

"Of course, I encourage both individuals and companies to make the change to 100% renewable and sustainable energy, it is easy and the change it generates is huge."







Ritex, a condom and lubricant producer from Germany, is using EKOenergy-labelled electricity and has added the EKOenergy logo to the packages of their Pro Nature product line.

Ritex has already implemented many environmental measures in the past years, such as more energy-efficient lighting, better insulation for buildings, reduction of waste in all steps of production and administration.

Biodiversity and nature conservation play an important role in their corporate social responsibility as well. Ritex uses rubber from FSC-certified plantations for Natural Rubber-Latex and they have a cooperation with the largest German environmental organisation NABU e.V. to protect insects – especially wild bees.

Their choice of EKOenergy is inspired by their concern for nature and biodiversity. Robert Richter, Managing Director of Ritex, says

"We decided to choose EKOenergy because it's important for us to use electricity that is not only  $CO_2$ -neutral, but also has minimal environmental impact."



#### **CHAPTER 4**

## INFLUENCE

EKOenergy reaches out to energy authorities and looks for consumers that want to take extra steps in countries where the options to switch to renewable energy are extremely limited.

"Companies are not only playing a critical role in the clean energy transition through their commitments, investments and sourcing strategies to go 100% renewable, but also through the influence they can exert in other parts of the system to catalyse action.

- Companies can engage with policymakers, regulators and utilities for progressive renewable energy policies, regulation and programs that support the scaling up of renewable energy,
- They can encourage and help their suppliers set ambitious targets to begin actively sourcing renewable electricity."

p.21 of <u>Business Leadership</u> in the <u>Transition</u> to <u>Renewable Electricity</u>

When a consumer switches to EKOenergy-labelled energy, their impact goes beyond their own individual energy consumption. Their switch also helps EKOenergy, as an initiative of environmental NGOs, to promote renewable energy in a growing number of countries and to guide energy consumers into doing the same.

Examples of leadership in the use of renewable energy are crucial for showing consumers that it's much easier to make an impact. In many parts of the world, the role of consumers in the energy market is still quite limited and we need examples to demonstrate that it is possible for consumers

to actively contribute to the energy transition and choose green energy.

EKOenergy's activities aren't limited to countries with liberalised energy markets - EKOenergy explores opportunities in many other countries too.

In addition to being in touch with energy companies, EKOenergy reaches out to energy authorities and looks for consumers that want to take extra steps in countries where the options to switch to renewable energy are extremely limited. This work has contributed to the development of instruments that provide consumers with more options.

Some of EKOenergy's most impactful activities are as follows:

- EKOenergy made significant contributions to the development of the Greenhouse Gas Protocol Scope 2 Guidance. We have made a summary of this text, with country-specific information, in 19 languages..
- EKOenergy was one of the first to endorse the I-REC Standard, the international standard for renewable electricity certificates. The I-REC Standard enables electricity tracking outside Europe and the US, and EKOenergy was among the first to work with the standard in countries like China, Brazil and Russia.
- EKOenergy has developed a lot of informative materials about green energy and the purchase of renewable electricity. Many of our publications are available in a number of different languages. E.g the online course "Green Power - buying renewable electricity for LEED and carbon accounting", which we made in collaboration with LEED

and the US Green Building Council, is available in 4 languages.

 We keep producing information materials such as leaflets and articles in many other languages, thanks to our devoted volunteer translators.

## Advocacy work and utility engagement

For most energy consumers, following policy developments and having discussions with energy companies is not self-evident. By buying EKOenergy-labelled energy, however, consumers help EKOenergy as an environmental NGO to influence and promote the energy transition in many ways.

- EKOenergy is a member of Climate Action Network Europe and actively participates in working groups following European energy policy.
- Via its social media accounts, EKOenergy regularly supports campaigns against coal and fossil gas.





The label is a tool for getting in daily contact with energy companies and talking with them about the elements that are important to EKOenergy, such as 100% renewable energy, taking the impact on biodiversity into account, etc.

EKOenergy regularly participates in specialised conferences, workshops and webinars, which allow the initiative to share environmental concerns and approaches regarding climate action with many others.

### Supply chain engagement

EKOenergy actively works to make the EKOenergy label more easily available for the whole value chain.

According to CDP's Global Supply Chain Report 2021, supply chain emissions are on average 11.4 times greater than operational emissions. This makes it apparent that large corporate buyers have a critical role in driving climate action globally.

For this reason, EKOenergy-labelled energy is available worldwide and its communication materials are available in various local languages. In addition to European languages, the EKOenergy website is accessible in Arabic, Chinese, Japanese, Russian, Turkish and partially in Vietnamese and Korean as well.

EKOenergy's work is international, in addition to preparing materials in local languages, the ecolabel also works with local organisations. This includes following the developments regarding the voluntary use of renewable energy in order to share information and guide consumers in different parts of the world to the best possible practices available in the given market conditions.

EKOenergy is growing its reach year by year. The logo is protected in all continents and the network of licensed sellers is continuously expanding.

## Every step inspires further, concrete climate action from consumers

Using the EKOenergy logo goes beyond communicating about renewable energy use in sustainability reports. When consumers of EKOenergy-labelled energy use the logo on their buildings, marketing materials or on their products, it directly showcases their commitment to sustainable, renewable energy.



#### CASE: L'Oreal in Russia

In 2017, L'Oréal was looking for ways to buy renewable electricity for their local consumption in their Vorsino facility in Russia, in order to meet the renewable energy target of the headquarters. When they got in contact with EKOenergy, there weren't any tracking systems available in Russia.

In order to encourage them to take action and give the right signal to the market, EKOenergy suggested that they use EKOenergy-labelled EACs until local solutions develop, so that their demand could be used as a concrete example for the demand for renewable energy in Russia.

EKOenergy used this case in their contacts with the Russian authorities and agencies in charge of the energy market, as well as in contacts with Russian energy companies and local energy consumers. This greatly helped EKOenergy in making corporate demand for green electricity more tangible and understandable

EKOenergy has used their example actively in outreach activities for consumers in Russia (See Indirect impact through EKOenergy's campaigns and advocacy work, p.14).

Partially thanks to such concrete actions and persistent advocacy work, buying renewable electricity has become easier in Russia now. The local authorities continue to work on a green certification scheme, while we have seen the introduction of the I-RECs system in Russia and the emergence of a PPA market in 2020-2021. One Russian energy supplier has already launched an EKOenergy-labelled green tariff.

#### **CHAPTER 5**

## TRANSPARENCY

Companies should transparently and accurately articulate their actions so that these are clear to stakeholders. [...] Companies should also be transparent about other activities relating to renewable electricity, such as their advocacy efforts, how they collaborate with others, and the barriers and benefits they encounter. These learnings can guide other businesses on their renewable journeys and can shed light on challenging issues that other businesses are facing as well. p.25 of <u>Business Leadership in the Transition to Renewable Electricity</u>

Organisations such as CDP and initiatives like the RE100 encourage companies to take the extra step whenever possible. Mentioned in Business Leadership in the Transition to Renewable Electricity (p.19) and Accounting of scope 2 emissions (p.15-16), the EKOenergy ecolabel makes it easier for companies to have an extra positive impact on climate.

Asking for EKOenergy-labelled renewable energy helps companies streamline their procurement decisions regarding their biodiversity concerns. Communicating about EKOenergy use, such as using the logo or mentioning EKOenergy in sustainability reports, on social media posts, etc is a way to spread the word to clients and stakeholders.

## Nonprofit and independent endorsement

EKOenergy is a global initiative of the Finnish Association for Nature Conservation, aiming at providing energy consumers with an independent acknowledgement of their environmental awareness in terms of their choice of energy. As a nonprofit tool for communication, the EKOenergy ecolabel aims at guiding the sector towards more sustainable practices by making the good examples more known.

When a consumer uses EKOenergy, their example helps EKOenergy promote the use of renewable energy in other parts of the world where consumer choice may not be as widespread.

EKOenergy shares these examples as good practices to encourage other consumers, suppliers and stakeholders to speed up the momentum in a climate and biodiversity-friendly direction.

The internationally recognised EKOenergy label is a reliable, third party ecolabel that adds to the existing advocacy efforts of stakeholders and is technology-agnostic.

#### Consumer information

The ecolabel is a mark of quality, helping to make it easy for consumers to find environmentally sustainable energy products. This means that when consumers ask for EKOenergy-labelled energy (green tariff, EACs, PPA offers, on-site proposal, or others) from a provider, they can be assured that the energy they buy has the least possible impact on biodiversity.

#### **EKOenergy's criteria**

The EKOenergy label and criteria do not apply to energy companies, nor say anything about the overall sustainability policy of energy consumers. The label and criteria only apply to sold and consumed volumes of renewable energy.

EKOenergy's criteria for renewable energy are approved by NGOs from all over the world. The criteria are not only practically applicable but also available to the public in many languages, other translations are ongoing.

Criteria reviews and updates follow the process of the ISEAL Code of Good Practice for Setting Social and Environmental Standards, which means that the procedures are based on a thorough research of the topic and that the drafts are open for input from the public during consultations.



Consumers of EKOenergy-labelled renewable energy have the right to communicate using the EKOenergy logo. EKOenergy's brand book (available in 7 languages) outlines the framework to communicate about EKOenergy use and guides EKOenergy users to avoid misinformation regarding emissions and other misleading claims such as mentioning "renewable energy" the consumer only uses EKOenergy-labelled renewable electricity.

In order to ensure transparency to the consumers of the products/services offered by EKOenergy users, we urge these users to share clear information about which activities are powered by EKOenergy-labelled energy in cases when the EKOenergy use doesn't cover all activities or premises of the consumer. This way we can't risk giving the impression that EKOenergy use covers a broader scale of energy consumption than it actually does.

The EKOenergy label is only applicable for energy. It is important that consumers of EKOenergy-labelled renewables don't use the ecolabel to make claims regarding carbon emissions or sustainability in non-energy-related aspects.

## Only EKOenergy licensees can offer EKOenergy-labelled energy

Most companies selling EKOenergy-labelled energy products also offer non EKOenergy-labelled renewable energy products and solutions to their clients. The seller (EKOenergy licensee) is bound by legal agreement to use EKOenergy's name only when an EKOenergy approval is present.

By signing the license agreement, the EKOenergy licensees agree to clearly indicate the EKOenergy-approved energy sources as options to the consumer, who receives transparent information regarding the source of their energy.



**EKOENERGY ECOLABEL** 

Licensed EKOenergy sellers can add additional benefits to their EKOenergy-labelled products, such as ForGreen selling solar energy from local farms, and companies such as Porvoon Energia and Lumme Energia highlighting the local employment benefits.

## EKOenergy's Climate Fund provides financing for new clean energy projects

Using renewable energy that carries the EKOenergy ecolabel helps consumers contribute to new clean energy projects that take place in developing countries (See Chapter 2 for Impactful Procurement).

To finance these projects, 0.10 € per MWh of EKOenergy-labelled energy consumption goes to EKOenergy's Climate Fund. The projects are selected by an independent

jury. Users of EKOenergy and other stakeholders are encouraged to take part in the selection of these projects.

Via our newsletter, Climate Stories leaflets and social media posts, we regularly share updates about these projects.

#### **EKOenergy's financing**

The work of the EKOenergy ecolabel is financed by the fee of 0.08 € per MWh of EKOenergy-labelled sales.

EKOenergy operates as a project of the Finnish Association for Nature Conservation. All income of the ecolabel is used on climate and nature protection. EKOenergy's financial reports are third party audited (by an external accountant) before being approved by the board and the Council of the Finnish Association for Nature Conservation.





Olvi is a Finnish beverage company active since 1878, they started using EKOenergy-labelled electricity for all of their own brands in Finland in 2018. Olvi uses the EKOenergy logo on their cans and bottles to inform their clients, partners and competitors that they have taken an extra step to promote climate action and chose sustainable clean electricity.

Olvi wanted to communicate about their commitment to renewable energy and they saw many good reasons to choose the EKOenergy label: It is an independent, non-profit ecolabel with criteria publicly available in the languages of the countries Olvi is active in and its logo can be used for communication.

Olvi saw that using the ecolabel for their communication is more straightforward and

transparent than coming up with their own method of referring to their use of renewable energy.

Olli Heikkilä, Marketing Director at Olvi says "With our example, we want to help consumers make sustainable energy solutions in their own lives and also encourage others to switch to environmentally friendly electricity".



0.10  $\in$  per MWh of EKOenergy-labelled renewable energy sales go to financing new clean energy projects.



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