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The Sustainable Apparel Coalition (SAC) is a global multi-stakeholder nonprofit alliance for the consumer goods industry. It's made up of more than 250 leading apparel, footwear, and textile, brands, retailers, suppliers, service providers, trade associations, nonprofits, NGOs and academic institutions working to reduce environmental impact and promote social justice throughout the global value chain



**Higg**, the SAC's technology partner, is the sustainability insights platform for consumer goods businesses. Higg offers software and services for measuring, managing, and sharing supply chain performance data. From materials to products, from facilities to stores, across energy, waste, water, and working conditions, Higg unlocks a complete view of a business's social and environmental impact.



The Higg Index is a suite of tools for the standardized measurement of value chain sustainability, and it is central to the SAC's mission to transform businesses for exponential impact. It is comprised of a core set of five tools that make it possible to measure the environmental and social impacts of how, where, and under what conditions products are made, as well as the companies making them.

## Introduction

In the last decade, worldwide interest in sustainability has grown, and today consumers are demanding greater accountability and transparency from the industry. By 2025, the Sustainable Apparel Coalition (SAC) aims to have all SAC members participate in public-facing ratings of sustainable performance that are credible and trusted. As part of this work, the SAC hopes to empower consumers to choose products based on transparent, trusted, and verified sustainability information. By promoting your company's use of the Higg Index, you help to make this vision a reality for the entire industry.

The SAC's Higg Index team, composed of subject matter experts, developed these guidelines in collaboration with our partners at Higg to enable SAC members and Higg users to communicate about their Higg Index performance and promote the Higg Index as the leading global standard for sustainability measurement in the apparel, footwear, and textile industry. The guidelines were developed to provide the industry with a unified, consistent, and science-based way to publicly share sustainability performance using the suite of Higg Index tools. We believe that consistent presentation of performance, backed by accurate, credible, and verified data, can prevent companies from making false and misleading greenwashing claims.

#### Sharing Higg Index performance also help you:

- Foster trust with customers and other stakeholders through verified, standardized, and credible data
- Continue building trusting relationships with current and prospective value chain partners
- Streamline communication with value chain partners
- Identify shared opportunities for improvement across the value chain related to protecting human rights and reducing environmental impacts
- Attract sustainable investments by demonstrating your commitment to sustainability
- Contribute to value chain transparency that consumers are demanding
- Prepare for upcoming regulation

## Using These Guidelines

This document is organized into three major use cases based on each tool:

- 1. Communicating general use of the Higg Index
- **2.** Communicating "raw" value chain **performance**, such as a manufacturing facility score, or specific product environmental footprint

I am a.... I want to... Go to...

Communicating General Use of Higg Index					
Brand, Retailer, Manufacturer	Communicate that we use the Higg Index to measure our sustainability performance	General Use			
Communicating Value Chain Performance					
Manufacturer	Report my own facility environmental score or specific impact areas	<u>FEM</u>			
Manufacturer	Report my own facility social score or specific impact areas	FSLM			
Brand	Communicate my suppliers' environmental performance	<u>FEM</u>			
Brand	Communicate my suppliers' social performance	<u>FSLM</u>			
Brand	Communicate my brand's retail, logistics, and brand footprint	<u>BRM</u>			
Brand or Manufacturer	Share environmental impact reductions achieved by switching to alternative materials or different manufacturing process	<u>MSI 1</u>			
Brand or Manufacturer	Report on the aggregated carbon footprint of my raw material choices	MSI 2			
Brand or Garment Manufacturer	Communicate the full lifecycle environmental impacts of a product I've created	<u>PM</u>			

## 1: Communicating **General Use** of Higg Index

The SAC encourages all Higg Index users to communicate their use of the tools to assess and manage environmental and/or social impacts with customers, stakeholders, and partners.

Examples of this may include

- Include the Higg Index logo on your website in a list of corporate sustainability efforts
- Feature the Higg Index in your annual report and explain how your business uses the tools
- Share about how you use the tools in press articles, interviews, events, on social media, internally with staff, in collateral to attract new talent, etc.

However, when communicating general usage of the Higg Index, you may not:

- Share specific Higg Index scores
- Associate the Higg Index with a specific product for which there is no verified performance claim as established in these guidelines (including inclusion or mention on a specific product hangtag)
- Imply the SAC's endorsement of your performance

In visual communications, you may not modify, redesign, or alter the shape or structure of the Higg Index logo (such as removing the leaf logo, using only the leaf logo, changing the typeface, or adding colors to specific elements of the logo).

Walmart: Website

#### Walmart's Goal:

By 2022, Walmart U.S. stores will endeavor to source apparel and home textile products only from suppliers working with textile mills that use the Sustainable Apparel Coalition's Higg Index Facility Environmental Module (FEM) to measure and help improve environmental performance.



Rapha: Website

In addition to our code of conduct, we are using the <u>Higg Index Facility Social and Labour Module</u> (FSLM) to monitor and improve the social performance of our supply chain partners. This tool measures our suppliers' compliance with, and goes above and beyond our code of conduct.

Through the use of the FSLM we will be able to identify and address issues that may arise in our supply chain, often in collaboration with other well-known brands. In addition to this, we will be working with an NGO called <u>Fair Working Conditions</u> to verify the findings of the FSLM and to guide us in our next steps.

For the 2021 production seasons, 12 of our Tier 1 supplier facilities reported on the Higg Index FSLM, representing 41% of units produced.

Gore Fabrics: Excerpt from the Gore Fabrics Responsibility Update Report

#### **Driving and Measuring Improvements**

In 2021, Gore Associates have shown strong interest in understanding the MSI system and using it as a way to see how different material choices will affect the overall impact of product before they ever reach the market. The MSI system is therefore being leveraged across the Gore Fabrics Division to guide product development efforts to lower the footprint of its products. For example, the lower (carbon)

Crystal Apparel Limited: Excerpt from the Crystal Apparel Limited Sustainability Report

#### HIGG INDEX FEM | SUSTAINABLE APPAREL COALITION (SAC)



To know how sustainable our products are, and what improvements are needed.

As a member of the SAC, all of our factories used the Higg Index Facility Environmental Module to evaluate environmental performance during 2020. Our strategic laundries with wet finishing process got their Higg FEM verified by third parties. This could support us to track our progress towards targets in GHG emissions, water and chemicals.

## 2: Communicating Higg Index Performance and Scores

Across manufacturing, product design, and brand and retail operations, the Higg Index tools produce scores that may be communicated externally to value chain partners, stakeholders, and consumers.

Examples of this may include

- The cradle-to-grave global warming potential or "carbon footprint" of a manufactured product
- The verified annual FEM score of a single manufacturing facility
- The carbon emissions reduction achieved by using recycled polyester over a conventional alternative

These guidelines share specific guidance and uses for this data, across each of our tools.

Suggested channels to share Higg Index performance include:

- Company website
- Corporate Social Responsibility (CSR) Report
- Social media: LinkedIn, Twitter, Instagram, Facebook
- Presentations and slide decks
- Marketing collateral
- Via email by request

## A: Communicating Higg Facility Environmental Module (FEM) Performance

If you completed third-party on-site verification of your Higg FEM assessment and posted your verified module, you may communicate your FEM performance as outlined in these guidelines and in accordance with the <u>Higg Terms of Use</u>.

#### Use case 1

If you completed the FEM, you may share your completion certificate(s) and use the Higg Index logo to communicate your usage of the FEM tool. No other use of the FEM trademark or completion certificate is permitted.

#### Use case 2

If you completed the FEM and third-party on-site verification of your FEM assessment, you may share your completion certificate(s) and use the Higg Index logo to communicate your usage of the Higg FEM tool and communicate your total score. No additional information regarding the score (score breakdown, level achievements, benchmarks) may be communicated without the Communications Toolkit (see use case 3 below).

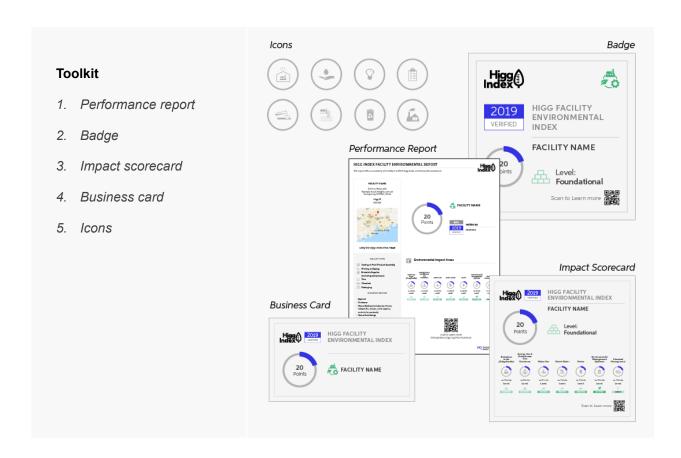
#### Use case 3

If you completed the FEM, third-party on-site verification of your FEM assessment, and have purchased the Higg FEM Communications Toolkit, you may share your completion certificate(s) and use the Higg Index logo to communicate your usage of the tool, and communicate your score through the toolkit as outlined in the section below, as well as communicate benchmarks alongside your facility's FEM scores in order to provide further context to the level of performance.

## **Higg FEM Communications Toolkit**

The Higg FEM Communications Toolkit is intended for the first phase of communicating FEM performance. The SAC team will review feedback of the toolkit and update it for optimal use in future releases. This guide outlines how to use the FEM toolkit, which includes:

- 1. Performance report
- 2. Badge
- 3. Impact scorecard
- 4. Business card
- 5. Icons



## 1. Performance Report

The performance report is the foundation of the FEM toolkit. It features your facility's FEM score and performance across environmental impact areas. If your facility posted third-party, on-site verified modules in 2018 and 2019, your report will feature year over year progress.

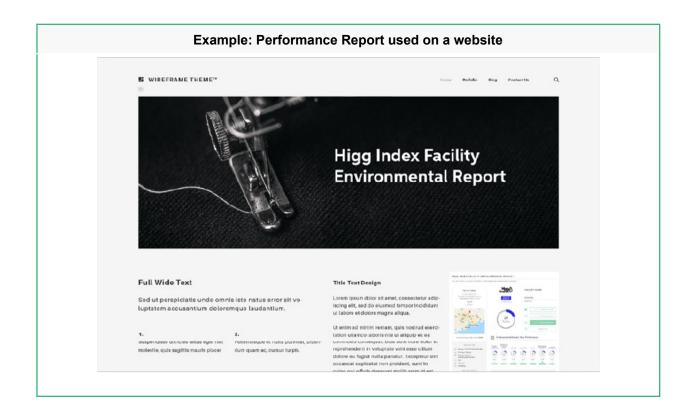
If you choose to publicly communicate comprehensive FEM performance, this report must always be made available, for example on your website. The report provides holistic information and ensures criteria of meaningful transparency are met. It is not permitted to communicate score breakdowns without access to your report.

#### Example Sentences To Feature With with the performance report on a website or CSR report

"In 2019, our facility improved the section score for wastewater management in the Higg Facility Environmental Module (FEM) by X% compared to 2018 by implementing X."

\_

"Our facility achieved the X level in chemical management in FEM in 2019 by implementing X."



## **V** Do

- Publish your report on your company website and include it in your CSR report
- Link to your report on social media
- Print your report to discuss during business meetings with NGOs or at trade fairs

## X Don't

- Don't communicate unverified information in conjunction with the report
- Don't publicly compare your Higg FEM score with other facilities' FEM scores
- Don't communicate parts of the toolkit without providing access to the report

## 2. Badges

The toolkit includes a badge that shows your overall Higg FEM score. The badge provides an opportunity to show external parties your FEM performance. External parties may also request to access the full report to learn more about your sustainability journey. The badge can be used online or offline. If the badge is featured online, the link to the full performance report must be included.



#### **Example: Badge used in Instagram Post**



## **D**o

- Publish your badge on Linkedin, Instagram, Twitter, and/or Facebook and provide the link to your performance report
- Publish your badge on a banner used during a presentation or trade fair

## X Don't

• Don't publish the badge without providing a link or access to the performance report.

#### 3. Impact Scorecard

The Higg FEM impact scorecard features your facility's performance across the FEM impact areas and provides the opportunity to show external parties what your total score is and how that score has been determined per impact area. The scorecard can be used online and offline.



# Example Sentences To Feature With The Higg Fem Impact Scorecard

"The Higg Index helps us assess performance across seven environmental impact areas. From water use to chemicals management, we can use the Higg FEM to measure impacts holistically and make annual improvements."



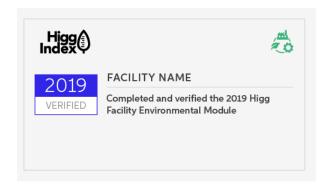
Publish the Higg FEM impact scorecard to highlight your performance across all of the impact areas

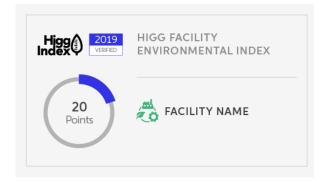
## X Don't

Don't publish the scorecard without providing a link or access to the performance report.

#### 4. Business Card

You can print your facility's results in a business card format to hand out to your external contacts. The card features your facility's verified Higg FEM performance. The card is double-sided. One side features your facility's name and completion of a verified FEM assessment; the other side features your facility's FEM performance.





**V** Do

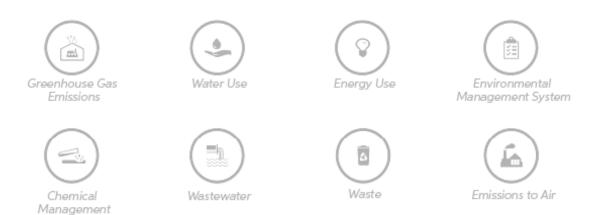
Print your Higg FEM business card to give to your business partners during meetings and trade fairs

X Don't

Don't publish your business card online. It is a double sided tool

#### 5. Icons

You can feature the icons included in the toolkit on your website and CSR report. Only use them with the names provided and in relationship with the Higg FEM.



## **Communicating Accomplishments & Future Targets**

Why is it important to talk about your accomplishments and future targets?

If your facility has two consecutive assessments verified on-site by a third-party, your performance report will reflect Higg FEM performance of both years and the progress made between those years.

- Identify shared opportunities for improvement across the value chain
- Continue building trusting relationships with current and prospective value chain partners
- Attract sustainable investments by demonstrating your commitment to sustainability
- Foster trust with customers and other stakeholders through verified, standardized, and credible data
- Contribute to value chain transparency that consumers are demanding

There are many different ways to communicate your accomplishments and future targets. We recommend you:

- Establish context of where you started in the previous year
- Describe how the insights from the tool helped you identify opportunities for improvement
- Describe your improvements compared to the previous year (points & level)
- Highlight any areas that did not improve and explain why
- Describe which policies, systems, and methods you used or will use to make improvements in each assessment area
- Outline why certain areas are not yet a priority and when you will prioritize them
- Describe how you are or will be addressing areas that need improvement



#### **Example: Accomplishments**

"Our facility has improved 10 points in the Environmental Management System category, reaching the Leader Level, the highest level in the Higg FEM assessment."

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"Last year, we started at the Advanced Level. We reached the next level by offering our employees workshops on environmental management. Employees attend courses every 6 months that offer updates on best practices for environmental management."

#### **Example: Future Targets & Goals**

"Our facility is still at the beginner level for managing energy use and greenhouse gas (GHG) emissions. We have a large facility and must first train our team to manage these areas. This will be a priority for us throughout the next two years, as we plan to hire an energy and emissions specialist."

\_

"In the first year (2020), we will focus on setting the baseline of our facility's energy use. After that, we will use the Higg FEM to help identify hotspots and create an improvement plan."

#### **Benchmarks**

You may communicate benchmarks alongside your facility's Higg FEM scores in order to provide further context to the level of performance. When using benchmarking data, you must:

- Specify the date and scope of the benchmarking data used
- Only use verified FEM data in the benchmark sample pool
- Use global benchmarking data or regional benchmarks
- Not filter out any arbitrary data sets from the benchmark sample pool, other than through the regional filter mentioned above

## **Do**

- Publish your scores along with global or regional benchmarking data on your company website and/or CSR report
- Communicate Higg FEM Score and Level achievement using the resources in the Higg FEM Communications Toolkit along with global or regional benchmarking data.

#### X Don't

- Don't communicate unverified information in conjunction with the scores and benchmarking data.
- Don't communicate the benchmarking data without communicating your Higg FEM score and level achieved alongside using the Higg FEM Communications Toolkit.

## **Brands & Retailers Communicating About Higg FEM**

Facilities own their Higg FEM information and have the option to purchase a communication toolkit with a variety of collateral. Brands and retailers that want to communicate their suppliers' verified Higg FEM scores can do so under the following conditions:

- Consent of their suppliers: Brands and retailers may invite (but not require) supply chain
  partners to share the verified FEM with them and gain access to their supply chain partners' FEM
  scoring. Consent must be expressly obtained in written communication by the owner of the FEM.
  FEM Brands and retailers can then communicate specific facility scores or aggregated\* supply
  chain scores.
- Channels & audience: After a supplier confirms that a brand or retailer can use the communication toolkit, the brand or retailer can share the score in their public communications. Examples of suitable channels include CSR reports, company websites, or supplier maps.

\*If a brand or retailer wants to communicate aggregated FEM scores of their supply base, they must:

- Qualify the disclosure with the scope of the aggregated scores relative to their total supply chain (for example "this average Higg FEM score covers 25 of our 38 tier 1 suppliers")
- Include more than three data points in the score aggregation, in order to avoid the individual underlying scores being back-calculated
- Only include verified scores

Communication of FEM scores in relation to a specific product is **prohibited** to prevent misinterpretation of the score as a 'product sustainability indicator.' A score may only be communicated in relation to the specific facility or facilities in question. Email <u>transparency@apparelcoalition.org</u> to learn more about the on-product communications work.

# B: Communicating Higg Facility Social and Labor Module (FSLM) Performance

If you completed third-party verification of your Higg FSLM assessment and posted your verified module, you may communicate your FSLM performance as outlined in these guidelines and in accordance with the <u>Higg Terms of Use</u>. These communication guidelines are intended to help you communicate about your Higg FSLM performance with your stakeholders, both internal and external. You are able to disclose the four types of scores achieved in the assessment, as described below.

#### **Scores**

#### **Total Score**

Shows overall points achieved across the entire FSLM. The total score cannot be communicated by itself, it must be accompanied by at least the step scores and the section scores. It is encouraged to also communicate the risk scores alongside..

#### **Step Scores**

Shows the total points received in each applicable step for the questionnaire: Step 1: Essentials Step 2: Progressive

Step 3: Advanced

#### **Section Scores**

Shows the total points received for each section of the questionnaire: Recruitment & Hiring, Working Hours, Wages & Benefits, Worker Treatment, Worker Involvement, Health & Safety, Termination, Management Systems, and Above & Beyond.

#### **Risk Scores**

Shows the total points received for meeting foundational levels of expectations, both legal requirements and industry standards, as defined in the FSLM questionnaire along the following categories: Legal Compliance, Zero Tolerance, High Risk, Medium Risk. These scores feature your company's performance on meeting the social and labor legal requirements and industry standards.

#### **Benchmarks**

You may communicate benchmarks alongside your facility's Higg FSLM scores in order to provide further context to the level of performance. When using benchmarking data, you must:

- Specify the date and scope of the benchmarking data used
- Only use verified FSLM data in the benchmark sample pool
- Use global benchmarking data or regional benchmarks
- Not filter out any arbitrary data sets from the benchmark sample pool, other than through the regional filter mentioned above

#### **✓** Do

- Publish your scores on your company website and/or CSR report
- Communicate Higg FSLM total score together with step scores and section scores

## X Don't

- Don't communicate unverified information in conjunction with the scores.
- Don't communicate the Higg FSLM Total Score alone.
- Don't publicly compare your Higg FSLM score with other facilities' individual FSLM scores

## **Communicating Accomplishments & Future Targets**

Why is it important to talk about your accomplishments and future targets?

- Identify shared opportunities for improvement across the value chain
- Continue building trusting relationships with current and prospective value chain partners
- Attract sustainable investments by demonstrating your commitment to sustainability
- Foster trust with customers and other stakeholders through verified, standardized, and credible data
- Contribute to value chain transparency that consumers are demanding

There are many different ways to communicate your accomplishments and future targets. We recommend you:

- Establish context of where you started in the previous year
- Describe how the insights from the tool helped you identify opportunities for improvement
- Describe your improvements compared to the previous year (points & level)
- Highlight any areas that did not improve and explain why
- Describe which policies, systems, and methods you used or will use to make improvements in each assessment area
- Outline why certain areas are not yet a priority and when you will prioritize them
- Describe how you are or will be addressing areas that need improvement

## **Brands & Retailers Communicating About Higg FSLM**

Facilities own their Higg FSLM information. Brands and retailers that want to communicate their suppliers' verified FSLM scores can do so under the following conditions:

- Consent of their suppliers: Brands and retailers may invite (but not require) supply chain
  partners to share the verified FSLM with them and gain access to their supply chain partners'
  FSLM scores. Brands and retailers can communicate specific facility scores or aggregated\*
  supply chain scores.
- Channels & audience: After a supplier confirms that you can communicate their FSLM scores, a
  brand or retailer can share the score in their public communications. Examples of suitable
  channels include CSR reports, company websites, or supplier maps. Brands or retailers can also
  use the aggregated verified score in their B2B public communications.

\*If a brand or retailer wants to communicate aggregated FSLM scores of their supply base, they must:

- Qualify the disclosure with the exact scope of the aggregated scores relative to their total supply chain (for example "this average Higg FSLM score covers 25 or our 38 tier 1 suppliers")
- Include more than three data points in the score aggregation, in order to avoid the individual underlying scores being back-calculated
- Only include verified scores

Communication of FSLM scores in relation to a specific product is **prohibited** to prevent misinterpretation of the score as a 'product sustainability indicator.' A score may only be communicated in relation to the specific facility or facilities in question. Email <u>transparency@apparelcoalition.org</u> to learn more about the on-product communications work.

## C: Communicating Higg Brand and Retail Module (BRM) Performance

If you completed verification of your Higg BRM assessment and posted your verified module, you may communicate your BRM performance as outlined in these guidelines and in accordance with the <u>Higg Terms of Use</u>. These communication guidelines are intended to help you communicate about your Higg BRM performance with stakeholders, both internal and external. You are able to disclose the three types of scores achieved in the assessment, as described below.

#### **Scores**

#### **Total Scores**

There are two scores that show the total points obtained in the entire questionnaire: one for all the environmental questions and one for the social questions. With these two scores you can communicate your company's overall performance in environmental and social sustainability.

#### **Section Scores**

Shows total points received in each section of the questionnaire: Management Systems, Retailer, Brand, Stores, Operations & Logistics. For each section there are two scores: environmental and social.

#### Lifecycle Scores

Shows total points received for each lifecycle stage: Management Systems, Distribution Centers, Product, Offices, Packaging, Stores, Supply Chain: Product & Textiles, Transportation, Use & End of Use (EOU), and Supply Chain: Responsible Purchasing Practices. These scores combine environmental and social performance into one score for each stage.



Publish your total scores together with your section scores on your company website and/or in your CSR report. You can also optionally include lifecycle scores

#### X Don't

- Don't communicate unverified information in conjunction with the scores.
- Don't communicate the Higg BRM total score alone.
- Don't publicly compare your Higg BRM score to other companies' BRM scores.
- Don't share any benchmarking data at this time.

## Third-Party Retailers Communicating About Higg BRM

Brands own their Higg BRM information. Third-party retailers that want to disclose their partner brand BRM scores can do so under the following conditions:

- Consent of their partner brands: Third-party retailers may invite (but not require) partner brands to share the verified BRM with them and gain access to their supply chain partners' BRM scoring. Brands and retailers can communicate specific brand scores.
- Channels & audience: After a partner brand confirms that you can communicate their BRM scores, a third-party retailer can share the score in their public communications. Examples of suitable channels include CSR reports, company websites, or supplier maps.

## **Communicating Accomplishments & Future Targets**

Why is it important to talk about your accomplishments and future targets?

- Identify shared opportunities for improvement across the value chain
- Continue building trusting relationships with current and prospective value chain partners
- Attract sustainable investments by demonstrating your commitment to sustainability
- Foster trust with customers and other stakeholders through verified, standardized, and credible data
- Contribute to value chain transparency that consumers are demanding

There are many different ways to communicate your accomplishments and future targets. We recommend you:

- Establish context of where you started in the previous year
- Describe how the insights from the tool helped you identify opportunities for improvement
- Describe your improvements compared to the previous year (points & level)
- Highlight any areas that did not improve and explain why
- Describe which policies, systems, and methods you used or will use to make improvements in each assessment area
- Outline why certain areas are not yet a priority and when you will prioritize them
- Describe how you are or will be addressing areas that need improvement

## D: Communicating Product and Materials Performance

## **Higg Product Tools Claims and Use of Product Tool Data**

## **D**o

- Higg Product Tool claims should be clear and specific, referencing scores and/or impacts in accordance with this communications guide.
- All scores and life-cycle impact assessment results can be communicated at the individual impact category level. Not all impacts need to be communicated together. For example, Global Warming Potential (kg CO2e) can be communicated on its own, without the additional four environmental impacts.
- Claims must be made using the current version of the Higg Product Tools and remain valid for a period of one year from any version updates (eg. Higg MSI v3.0 to v3.1).
- All claims must be accompanied by a respective Higg Index attribution statement. The
  attribution statement must explain the claim, any limitations, and include the Higg MSI or PM
  version number from when the claim was generated. The version number is shown on the
  MSI and PM dashboards. The attribution statement must also state that the results are not
  verified or validated by the SAC or Higg.
- The attribution statement may be separated from the claim (like in a social media post or store signage). In this case, a footnote indicator ([1], \*, etc.) must link to the attribution statement. For example, a company may link a social media post to the ecommerce page where the attribution statement is featured.
- The Higg Product Tools may not be used for comparisons with or against data from other
  external datasets. If there is a desire to make a comparative assessment, the data should
  be submitted through the Higg MSI Contributor to become part of the Higg Product Tools.
- All Higg Product Tool claims for customized materials and products should follow the
  content guidance for selecting appropriate processes as per the <u>How to Higg Guide</u>. This
  ensures consistency across all users and claims.

## X Don't

• Do not make general environmental claims like 'green' or 'eco-friendly' in conjunction with the Higg Product Tools.

- You may NOT use any Higg Product Tool information or results, including Higg MSI scores, impact data from the MSI or PM, or any other data or information ("Higg Product Tool data") outside of the specific instances contained in this document.
- Use of Higg Product Tool data to create, power, inform, develop, or guide any external and/or commercial product, service, or assessment tool is expressly prohibited, and such aforementioned use is considered the creation of a derivative work, which violates the Higg Platform Terms of Use.

## **Higg MSI Claims**

#### 1. Higg MSI Example Material claims

A Higg MSI Example Material is any material included in the default Example Material library provided to all Higg MSI users. The Higg MSI features more than 80 example materials. These examples represent materials commonly used in the industry. Example materials include: finished cotton, leather, polyester, nylon, jute, silk, and metals that are ready to be assembled into a product.

- Only the MSI scores for Example Materials may be communicated externally. Not all impact categories need to be communicated together.
- Comparisons of Example Materials are not allowed. For example, users cannot communicate comparisons of example cotton fabric vs. example polyester fabric.

#### **Example MSI Example Material Claim**

"The Higg MSI Global Warming Potential score for 1 kg of polyester fabric is 9.62."

#### Attribution statement

Based on Higg MSI 3.3 data at Higg.org. Retrieved by [insert company name] in [month, year]

## 2. Higg MSI Custom Material claims

A Higg MSI Custom Material is any fully customized (finished) material or trim, including an acquired material, that is modeled by Higg MSI users. The Higg MSI includes hundreds of raw material and production process options. Users can combine these options in millions of ways to create a unique finished material. Companies can use the Higg MSI to assess the environmental impact of their specific materials and use data-driven insights from the tool to customize how they produce materials, ultimately helping them make more sustainable products.

- MSI scores and/or life cycle impact assessment (LCIA) impacts for Custom Materials can be communicated externally. The attribution statement must include reference that the results are not verified or validated by the SAC or Higg.
- Results can be communicated per kilogram, or converted to other units (ex. per yard) if the conversion calculation is explained.
- Direct material comparisons can only be done as part of the Higg Index transparency program or for materials that are demonstrably functionally equivalent (e.g. new version of the same product). Comparisons can be communicated in absolute or relative terms.
- Aggregate LCIA impact results from Custom Materials may be used for communicating impacts for specific materials and/or at the aggregated material level.

#### **Example MSI Custom Material Claim**

"The Higg MSI Eutrophication score for our recycled goose down is 0.7 per kilogram of material."

"The carbon footprint of our Fantastic Fabric is 6.8 kg CO2e per kilogram of fabric."

#### **Attribution statement**

These results were calculated using the Higg MSI 3.3. They were calculated by [insert company name] and are not third-party verified.

## 3. Higg MSI Data claims

Higg MSI Data refers to information on any single raw material or production process from the Higg MSI or Higg MSI Derived database. Raw materials data includes, for example, organic cotton or recycled polyester (PET) fiber data. Production process level information includes data for any processes under yarn or textile formation, coloration, etc.

- Higg MSI scores for an individual process can be communicated externally, but not the LCIA impacts.
- LCIA impact comparisons can be communicated externally in relative terms, as long as both processes being compared are within the same production stage of the Higg MSI.
- Aggregated LCIA impact data may be used for communicating impacts at an aggregated material level<sup>1</sup> and in combination with other impact data sources (such as Higg FEM for greenhouse gas tracking and reporting).

#### **Example MSI Data claim**

"Recycled polyester fiber has an MSI GWP score of 0.65, while conventional polyester fiber's MSI GWP score is 2.7."

\_

"For every 1kg of recycled PET fiber used instead of conventional PET fiber, the climate impacts are reduced by 76%."

\_

"In 2018, our fiber footprint total CO2e was 10,500 tonnes. We reduced this footprint by 30% in 2019 by switching to more recycled materials."

\_

"Our Scope 3 carbon footprint is 15,250 tonnes, calculated using a combination of Higg MSI fiber impact data and FEM emission data."

#### Attribution statement

<sup>&</sup>lt;sup>1</sup> Examples of aggregated material level claims include:

Total annual or seasonal company-level aggregate material claims (e.g. SBT). including combination with other databases or information (consistent with allowance for MSI, e.g. use FEM data).

Total annual or seasonal company-level aggregate impact for a production stage up to final materials (e.g. fiber footprints).

<sup>·</sup> Total annual or seasonal aggregate for specific product categories (e.g. material footprint for sneakers).

Total aggregate year-over-year or season-over-season impact changes (e.g. reduction of material or fiber footprint).

These results were calculated using the Higg MSI 3.3. They were calculated by [insert company name] and are not third-party verified.

## 4. Higg MSI Contributor claims

Higg MSI Contributor claims includes process level information provided and claimed exclusively by the Higg MSI Contributor submitter organization. MSI Contributors submit inventory data to the Higg Product Tools through the MSI Contributor process so users can select their raw material or production process when customizing and assessing a material (Higg MSI) or product (Higg PM).

- MSI Contributors can externally communicate both the MSI scores and the LCIA impacts of their submitted processes. The communicated impacts must reflect the latest results shared by the Higg Data Manager, with allowance of a 6 month transition period to update all communications.
- Direct comparisons between different processes can only be externally communicated from within the same Production Stage in the Higg MSI when the production boundaries are the same. Comparisons can be communicated in absolute or relative terms.
- For comparisons at a finished material level, the Higg MSI Custom Material claims requirements apply.

#### **Example Higg MSI Contributor claim**

"Lenzing may tell its customers the kg CO2e and Higg MSI points associated with the production of TenceITM as calculated in the Higg MSI."

#### **Attribution statement**

These results are based on data submitted to the Higg MSI through the MSI Contributor process by [insert company name] in [month, year].

## **Higg PM Claims**

The Higg Product Module (PM) enables calculation and communication of self disclosed product environmental footprint information. This information will also be incorporated into the Higg Index transparency program in the future where it will be further standardized and contextualized for enhanced consumer interpretation.

#### 1. Higg PM Cradle-to-Gate claims

A Higg PM Cradle-to-Gate claim includes product level environmental impact information of specific production stages or the full production up to, but not including, the use phase.

- Product life cycle impact assessment (LCIA) impacts can be communicated externally on an absolute basis per product unit. Additional context can be provided as long as the calculation is transparently explained (e.g. converting kg CO<sub>2</sub>e into km driven).
- The attribution statement must clearly communicate what production stages are included (i.e. materials, finished assembly, packaging, and logistics).
- Aggregate impacts for a specific product (e.g. units of production) and across product assortments can be externally communicated
- Direct comparisons of functionally equivalent products where production changes have occurred (e.g. material substitution, screen printing to digital printing, etc.) can be made in absolute difference or relative difference terms.

#### **Example Higg PM Cradle-to-Gate claims**

The Global Warming Potential for the production of our spring 2020 portfolio is 5,432 kg CO2e. Impacts are cradle-to-gate and include bill of materials and finished assembly stages.

--

The cradle-to-gate water scarcity impact for the Star 10 T-Shirt is 5.2 m3.

#### Attribution statement

These numbers were calculated using the Higg Product Module 1.0. and consider cradle-to-gate impacts from raw materials through to finished

product. They were calculated by [insert company name] using our product data and are not verified by a third party. Visit higg.com to learn more

## 2. Higg PM Cradle-to-Grave claims

A Higg PM Cradle-to-Grave claim includes product level environmental impact information through the use phase and end of use. The attribution statement must clearly communicate that the product footprint is cradle-to-grave, including the use phase and end of use.

- Product LCIA impacts can be communicated externally on an absolute basis per product unit and/or "per use" results from the Higg PM. Additional context can be provided as long as the calculation is transparently explained (e.g. converting kg CO<sub>2</sub>e into km driven).
- Aggregate absolute impacts for a specific product (e.g. units of production) and across product assortments can be externally communicated.
- Direct comparisons of functionally equivalent products where production changes have occurred (e.g. material substitution, screen printing to digital printing, etc.) can be made in absolute difference or relative difference terms. These can be made both in absolute product footprint or "per use" product footprint.

#### **Example Higg PM Cradle-to-Grave claims**

The full cradle to grave GWP impact for the Star 10 T-Shirt is 9.6 kg CO2e.

\_

The per-use impact of this t-shirt is 0.3 kg CO2e.

\_

The full cradle to grave GWP impact for the Star 10 T-Shirt was reduced 20% by switching to recycled cotton (as compared to the previous production of the Star 10 T-Shirt made with conventional cotton).

#### **Example Attribution statement**

These results were calculated using the Higg Product Module 1.0. and consider cradle-to-grave impacts from raw materials through end of use (including use phase). They were calculated by [insert company name] and are not third-party verified.

## Contact Information

If you have any questions about the guidelines, please submit a support request <a href="here">here</a>.

## Higg Trademark Usage and Licenses

#### License Purpose:

As a user of the Higg platform and Higg Index, there are certain trademarks and graphics that are available for use to convey and communicate your Higg Index usage or performance. The below licenses grant permission to use certain SAC trademarks and graphics, as listed below, depending on the Higg Index module used by you.

#### **Intellectual Property Ownership**

The Higg Index suite of tools are accessible on the Higg platform.

The SAC is also the sole owner of the following trademarks associated with the Higg Index suites of Tools, hereinafter SAC Trademarks:

Higg Index	Higg Index Logo	Higg FEM	Higg MSI	Higg PM	Higg FSLM	Higg BRM



You hereby acknowledge and agree that SAC is the owner of the SAC Trademarks. Nothing in this section will be construed to transfer any rights in any of the SAC Trademarks to you.

#### **Intellectual Property License Grants**

Intellectual Property and Higg Index Logo License Grant to users of all Higg Index Modules.

By virtue of your use of any of the Higg Index modules, SAC hereby grants you a non-exclusive, revocable, worldwide, royalty-free, sublicensable (through multiple tiers), and transferable license to 1) <a href="https://share.goo.org/ref] share your Higg Index completion certificates">https://share.goo.org/ref] share your Higg Index completion certificates</a>, Toolkits or Profiles to communicate your use of the Higg Index Modules, 2) to use the Higg Index Logo in connection with sharing your Higg Index completion certificates, verified scores, Toolkits and Profiles, 3) and in connection with communicating your use and access of the Higg Index modules and/or or as otherwise authorized in these guidelines.

For the avoidance of doubt, when communicating usage of the Higg Index modules publicly, you may only speak to use of the Higg Index not Higg Index scores and results unless you are using Higg Index verified scores, Toolkits and/or Profiles.

#### Higg FEM License Grant - to users of the Higg FEM Module

By virtue of your use of the Higg FEM Module, SAC hereby grants you a non-exclusive, revocable, worldwide, royalty-free, sublicensable (through multiple tiers), and transferable license to share your

completion certificates to communicate your use of the Higg FEM Module, share your verified FEM scores and Toolkits, and to use the Higg FEM mark in connection with communicating your use of the Higg FEM Module, verified FEM scores, and Toolkits or as otherwise authorized in these guidelines.

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#### Higg MSI License Grant – to users of the Higg MSI Module

By virtue of your use of the Higg MSI Module, SAC hereby grants you a non-exclusive, revocable, worldwide, royalty-free, sublicensable (through multiple tiers), and transferable license to share your Profiles (excluding the MSI certification mark and Higg Index Product Scorecard, subject to a separate license agreement with SAC), and to use the Higg MSI mark in connection with communicating your use of the Higg MSI Module, sharing your Profiles (excluding the MSI certification mark and Higg Index Product Scorecard, subject to a separate license agreement with SAC) or as otherwise authorized in these guidelines.

#### Higg PM License Grant - users of the Higg PM Module

By virtue of your use of the Higg PM Module, SAC hereby grants you a non-exclusive, revocable, worldwide, royalty-free, sublicensable (through multiple tiers), and transferable license to use the Higg PM mark in connection with communicating your use of the Higg PM Module or as otherwise authorized in these guidelines

#### **Quality Control.**

Each section of these SAC Communication Guidelines outline how you may use each licensed trademark. It is important to abide by the quality control terms and provisions set forth in this guide, as failure to do so may result in termination of your rights to use the licensed mark. SAC may, from time to time, evaluate your use of any of the trademark licensed to you to ensure compliance with the quality control provisions outlined in these guidelines.

#### Goodwill.

You hereby acknowledge that any and all goodwill generated by your use of the word mark, Higg Index, Higg Index Logo, Higg FEM, Higg MSI, Higg PM, Higg FSLM and/or Higg BRM marks will insure solely to the benefit of SAC.

#### **Modifications and Amendments.**

SAC reserves the right to change or modify any of the above guidelines or licenses at its sole discretion at any time.