

Member FAQs: Higg FEM Verification Access Fee

February 26, 2024

The purpose of this document is to provide members with information on the Verification Access Fee process for Higg FEM. The collection process for the Verification Access Fee for Cascale members has changed from our previously communicated process. If you have questions that are not addressed below, please contact us here and a member of our team will be in touch soon.

What is the Verification Access Fee and what does it cover?

The Higg FEM Verification Access Fee is used by Cascale (formerly Sustainable Apparel Coalition) to support the ongoing content and methodology development of the Higg Index, associated programs, and verification protocols, which are essential to drive collective action in the industry.

Why has the process to collect the Verification Access Fee changed from Worldly to the VBs?

Prior to May 2023, the Higg FEM verification fee was collected on Worldly, and passed to Cascale, who manages the program. In order to streamline the process, provide more transparency, and better align with common industry practice, this fee will now be collected by the Verifying Body (VB), and passed to Cascale. The amount of the Higg FEM verification fee remains unchanged at \$300 USD. **The process change is related to who and how the fee is collected.**

Are Cascale members exempt from paying the \$300 Verification Access Fee?

As a benefit of being a part of Cascale, our members receive a certain number of Higg FEM verification assessments free of charge as a membership benefit. Our members will only pay the \$300 Verification Access Fee if they exceed their assessment quota. In the event that you exceed your quota, Cascale will invoice you at the close of the Higg FEM cadence.



For example, if you joined Cascale in 2023 and enjoy 10 verification assessments, your 10 assessments will be honored at the beginning of the Higg FEM cadence. If you verify 13 facilities in 2024, the Verification Access Fee will be waived for the first 10 facilities, and the Verification Access Fee will be charged for the three facilities that go over your quota. In this example, you would be charged \$900 USD for three verification assessments $(3 \times 300 = 900)$ at the end of the Higg FEM cadence.

How will the VBs know which facilities to charge?

Cascale will provide VBs with a list of members and member-owned facilities (including Worldly IDs) so that they may identify those facilities that enjoy this member benefit. Please connect with us here and share your wholly-owned facility names and their Worldly IDs that you would like to grant access to the Higg FEM verification assessments.

What happens if I've already been charged the Verification Access Fee?

For those who have already paid their Verification Access Fee for CY2024, rest assured that appropriate adjustments will be made on your behalf. Please reach out to us via this form if you have any facilities that have paid the Verification Access Fee. We will work with you to obtain a refund from the relevant VB.

Where can I find more information?

To help support our members and community, we invite you to access key resources to help guide you through these important changes:

- <u>Higg FEM Verification Program</u>
- <u>Verification webpage</u>
- Verification one pagers

If you have any questions regarding the Higg FEM price increase, please see our FAQ on <u>Cascale Connect.</u>

Please reach out to us <u>here</u> with any additional questions and a member of our team will be in touch with you soon.