Higg Facility Environmental Module (FEM) Verification Program

Quality Assurance (QA) Manual

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Acknowledgments

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1 INTRODUCTION

1.1 PURPOSE

1.1.1 The purpose of the Higg FEM Quality Assurance (QA) Program is to provide high level oversight of the Higg FEM Verification Program to evaluate whether Verification is producing consistent and accurate outcomes and being conducted in accordance with the established program protocols and procedures.

1.1.2 This document describes the QA activities that are applied by the Higg FEM Verification Program Manager (VPM).

1.1.2.1 In general, QA activities are designed to ensure a qualified pool of Cascale approved Verifier Bodies (VBs) and Verifiers are available to Higg FEM users, and to ensure quality and integrity during the Higg FEM verification process.

1.1.3 Annually, Cascale determines the coverage (i.e. the exact number of each QA activity), considering the cost and value of each activity and to ensure that QA activities collect representative data of the Higg FEM verification process that can be used to generate insights for overall system improvements.

1.2 DEFINITIONS

1.2.1 **Higg FEM Self-Assessment Module (Higg FEM)**: This is the set of 'questions' that are answered by facilities to generate the Higg FEM score. The questions are housed in the Worldly platform. These answers and supporting documents are what is 'Verified' (aka assured) by the Verifier Body.

1.2.2 **Worldly**: The host of the Higg Index online platform containing a suite of sustainability assessment tools including the Higg Facility Environment Module (Higg FEM). Self-Assessment data and Verification determinations/data are entered in this platform.

1.2.3 **Verification**: The methods and processes by which a VB obtains appropriate evidence in order to express a conclusion on the reliability and accuracy of the Higg FEM self-assessment data (that is, the outcome of the measurement or evaluation of results against defined criteria).

1.2.4 **Verification Program Manager (VPM)**: company or organization designated by Cascale to provide any or all of the oversight of the verification scheme. This may include, but is not limited to, vetting and management of service providers (e.g. Verifier Bodies), application of quality assurance procedures, risk assessment, and general project management. For the purposes of this document references to Cascale actions may be designated as the responsibility of the VPM and thereby the terms Cascale and VPM are interchangeable.

1.2.5 **Verified Module (Higg vFEM)**: The result of the Verification process, indicating the accuracy/reliability of the self-assessment data and corrected data as needed. A Verifier Body will access and complete a Higg vFEM on the Worldly platform. Once a self-assessment is Verified, it can be shared by the facility.

1.2.6 **Verifier (VE)**: The individual(s) conducting the verifications (includes Lead Verifier and other members of the verification team).

1.2.7 **Verifier Body (VB)**: A company that is qualified and approved to perform the Verification Process in accordance with the defined procedures and protocols.

1.2.8 **Use of 'shall' or 'should'**: The word 'shall' indicates a requirement and the word 'should' indicates a recommendation.

2 QA ACTIVITIES OVERVIEW

2.1 QA ACTIVITIES

Table 1 - Higg FEM QA Activities Overview

QA activity	Why	What is it?
Vetting and testing of Verifier Bodies and Verifiers	Through vetting and testing applicant Verifier Bodies (VB) and Verifiers, the VPM ensures that requirements are met regarding professional experience, internal quality management systems and auditing skills and knowledge of Higg FEM procedures and protocols	Assessing of candidate VBs and Verifiers against Cascale criteria (regarding their experience conducting environmental assessments, knowledge of legal requirements and international standards and education) for the countries where they propose to operate Mandatory taking of e-learning training course on Higg Higg FEM verification program and processes Exam to test candidate Verifiers on technical skills, and their knowledge of Higg FEM procedures and protocols
Assessment of VBs Higg FEM Program Management Systems	As it is the responsibility of VBs to ensure that Verifiers have the skills and experience required to perform Higg FEM Verifications, these assessments help ensure that VBs have the management system in place to ensure quality and integrity of their verifiers	An assessment of the policies and procedures VBs have in place to ensure their Higg FEM Verifiers' competency and consistency of Verification activities.
Desktop Review	Desktop Reviews are an effective method of ensuring that verifiers are completing verification reports correctly and that data in reports is accurate. They are also used to identify aspects of the Higg	A Desktop Review is a remote assessment of verified reports. A Desktop Review assesses report content including: • Corrected responses that are inaccurate • Instances where a facility provides inconsistent information that is not corrected by the verifier

	FEM program that are not well understood by verifiers.	• Any instances where it appears that the question was misunderstood by the verifier, causing the "corrected response" to be misleading • Misapplication or misinterpretation of local laws or Higg Guidance • Sufficient Verifier comments are provided • Desktop Reviews check for any issues that could cause the report to be invalidated Desktop reviews assess the Verification protocol to ensure: • Qualified verifiers completed the verification • Proper completion of the online Higg FEM • Verification Person day guidance is followed
Counter Verification	Counter verifications provide insight into whether the Higg FEM verification process is producing accurate and reliable data	Counter Verifications are 1-day visits to facilities that were recently visited for a Higg FEM verification. Counter Verifications assess whether verification procedures were followed, if Verifiers had the skills and knowledge to conduct the verification, and if report content is accurate. Counter Verifications are not a duplication of the initial verification, rather a high-level verification including a sample of all sections of the Higg FEM.
Duplicate Verification	By repeating a full Verification at a different point in time, Duplicate Verifications assess whether verification procedures and guidance are being consistently applied across the VB/Verifier community.	Duplicate Verifications are a repeat of a Higg FEM verification, performed by a different VB or the VPM after the initial verification. Duplicate Verification is used to compare and assess the variation between VBs. Duplicate Verifications allow the VPM to assess the difference in precision between VBs and provides insight into consistency of the Higg FEM Verification program.
Shadow Verification	Shadow Verifications are used to assess verifier quality and identify areas where Higg FEM protocols are not clear or not well understood by verifiers.	During Shadow Verifications the VPM or designated representative observes a verification to ensure that the verifier follows Cascale protocols. Through direct observation, the VPM can confirm whether verifiers are following Cascale requirements when conducting a verification. During a Shadow Verification, the shadow verifier does not actively participate in the assessment.
Feedback from Facilities	Feedback is collected from facilities to assess the functioning of verification process in general, as well as verifiers and VBs.	Feedback is reviewed through feedback forms that are to be filled by a facility after every verification.
Higg FEM Stakeholder QA	Many stakeholders (e.g. brands) perform their own review of verification reports for QA purposes. Using these results will allows Cascale to expand QA scope beyond the QA activities conducted through the VPM.	Various types of Stakeholder QA data may be generated (e.g. adhoc feedback, standardized data reviews), therefore it is standardized and reviewed by the VPM before being incorporated into the relevant QA data stream.

Disputes	Disputes allow facilities to formally raise concerns over the quality of a verification and for the VPM to determine if this resulted in an impact to the accuracy of the verified assessment report.	On the Worldly platform, a facility raises a dispute if a verifier did not follow Verification Protocol or other Cascale requirements were not met. The VPM determines whether the dispute is valid and if the verified assessment report needs to be amended. Disputes are not used to resolve question level issues.

2.2 QA Outcomes

2.2.1 QA methodologies are designed to detect issues with the verification process. QA activities work together systemically to collect data, identify issues, and improve the Higg FEM verification process and system as a whole.

2.2.2 The VPM uses a dashboard to monitor QA activity outcomes, including the specific issues that are identified during each activity.

2.2.3 On an ongoing basis, the VPM reviews and analyses these outcomes to determine if the issues detected are systemic problems with the verification process (e.g. Verification Protocol does not address a topic), issues with a particular VB or region (e.g. Higg FEM questions or guidance being interpreted incorrectly), or issues isolated to a particular VB or Verifier.

2.2.3.1 To address systemic issues, the VPM recommends revisions to program documentation and resources (e.g. Verification protocols, Verifier training, etc.)

2.2.3.2 Regional issues or VB/Verifier specific issues may be addressed through technical bulletins to verifiers or direct feedback to VBs via the VBs Higg FEM Dashboard.

2.2.4 QA helps to ensure that problems with the verification process are not only detected but fixed in a systemic way. If a specific QA activity indicates poor performance, or other issues with the verification process it can also trigger additional QA.

2.2.4.1 For example, if a Desktop Review shows that a VB or Verifier has not followed the Verification Protocol, this may trigger additional activities, such as additional Desktop Reviews or a Shadow Verification, where the verifier is observed on site.

2.3 QA Communications

2.3.1 In addition to any specific reporting identified in the specific procedures below, the VPM consolidates the QA outcomes and provides summaries via a QA dashboard. The purpose of the dashboard is to provide real-time access to QA outcomes and results so that Cascale can consider potential improvements to the system and plan appropriately.

2.3.1.1 The VPM also analyzes QA trends and provides on-going feedback to Cascale on the outcomes of specific QA activities throughout the Higg FEM adoption cadence.

2.3.2 The VPM provides each VB with a VB Dashboard to communicate real-time feedback on QA outcomes, VB/Verifier performance scores, general and VB-specific technical bulletins and general program updates.

3 QA ACTIVITIES

3.1 VERIFIER BODY AND VERIFIER SELECTION PROCESS

3.1.1 The VB/Verifier selection process ensures that VBs/Verifiers have the experience, skills, knowledge, and quality assurance programs required to conduct consistent and reliable Higg FEM verifications.

3.1.1.1 VBs shall provide any available information and data regarding the performance and management of Higg FEM verifications to Cascale when requested to do so by Cascale.

3.1.2 The following procedure defines how the VPM selects and approves VBs and Higg FEM Verifiers.

3.1.3 A flowchart of the VB/Verifier Application Process is presented in Appendix A.

3.1.4 **Verifier Body Application process**

3.1.4.1 All verifiers must be employed by an approved Verifier Body.

3.1.4.2 Using an online application, VBs provide information regarding their company including auditing/assessment experience, accreditations, management system and quality control procedures.

3.1.4.3 The full list of requirements for VBs can be found in the Higg FEM Requirements for Verifier Bodies and Verifiers Protocol.

3.1.4.4 Candidate VBs who meet the criteria are approved as Higg FEM VBs and can then have individual verifiers associated with their organization apply to become Verifiers using the process outlined below.

3.1.4.5 All approved VBs are subject to review to ensure that VBs uphold their commitments to develop policies and procedures on Higg FEM Verifier competence, training and internal quality management.

3.1.5 **Verifier Application process**

3.1.5.1 Using an online application, candidate verifiers provide information regarding their skills, knowledge and experience.

3.1.5.2 The full list of requirements for candidate verifiers must meet for both General and Chemical Specialist Verifier can be found in the Higg FEM Requirements for Verifier Bodies and Verifiers Protocol.

3.1.5.3 Candidate verifiers who meet the eligibility criteria are required to complete the required the Higg FEM Verifier training and pass an examination. This training is administered by the VPM in accordance with the Higg FEM Verifier Training Protocol.

3.1.5.4 Only Verifiers who have completed the training and passed the exam are eligible for Higg FEM Verifier Status.

3.1.6 Maintaining Verifier status

3.1.6.1 Verifier Status is maintained annually by participating in Verifier Status Maintenance (VSM) program. Details on the VSM program can be found in the Higg FEM Verifier Status Maintenance Protocol.

3.1.7 Verifier Application Audits

3.1.7.1 Application Audit Selection and Requesting Information

3.1.7.1.1 The VPM periodically selects applications for auditing.

3.1.7.1.2 Applications may be selected randomly or based on risk (applications that appear to have unusual or inconsistent information).

3.1.7.1.3 Applications may be audited at any stage of the application and approval process.

3.1.7.1.4 The VPM emails the applicant and request additional information and documentation to support self-reported data in their application.

3.1.7.1.5 Applicants that are selected for an audit have at least 14 calendar days to provide the requested information.

3.1.7.2 Review of Application Criteria

3.1.7.2.1 The audit focuses on self-reported data. Applicants are not required to provide information that was included in the initial application.

3.1.7.2.2 Based on the information in the application, the VPM asks for one or more of the following pieces of evidence to support the verifier application:

3.1.7.2.2.1 Copies of selected audit reports to support audit log. Brand and other identifying information is redacted as needed to meet confidentiality requirements.

3.1.7.2.2.2 Contact information for previous employers so they may be contacted to confirm employment as noted.

3.1.7.2.2.3 Contact information for reference(s) that can attest to work experience in environmental sustainability/assessment.

3.1.7.2.2.4 Copy of diploma, transcript, or other proof of post-secondary degree.

3.1.7.2.2.5 Certificate of completion for all listed trainings.

3.1.7.2.2.6 Documentation of receipt of internal training reported (e.g. sign-in sheets, certificate, Learning Management System exports, etc.).

3.1.7.2.2.7 English writing and speaking samples.

*3.1.7.3 **Review***

3.1.7.3.1 The VPM completes the audit within 14 days of receiving information from the applicant.

3.1.7.3.2 Additional information may be sought from the applicant based on their responses.

3.1.7.3.3 If the applicant provides incorrect data/evidence, they have one additional chance to provide correct data/evidence.

3.1.7.3.4 After performing the audit, the VPM determines whether the self-reported data provided by the applicant is accurate.

*3.1.7.4 **Audit outcomes***

3.1.7.4.1 If the self-reported data is generally accurate, no further action is needed.

3.1.7.4.1.1 Minor issues include honest mistakes in entering numbers/data, i.e. entering incorrect data due to misunderstanding of question

3.1.7.4.2 If the self-reported data is not accurate, the VPM determines what impact the inaccurate data has on the applicant's application.

3.1.7.4.2.1 If the inaccurate data would have resulted in the applicant failing the initial application, the applicant is suspended.

3.1.7.4.2.1.1 The applicant may formally appeal the suspension. The appeal will be reviewed by the VPM and Cascale. The appeal decision is final.

3.1.7.4.2.1.2 The verifier may apply to be reinstated after 12 months.

3.1.7.4.2.1.3 The application must be approved by the VPM as well as Cascale.

3.1.7.4.2.2 If the inaccurate data would not have affected the initial application, the VB is required to provide an explanation and corrective action plan to demonstrate how it will ensure the accuracy of future applications. Depending on the nature of the inaccurate data, the verifier may be suspended.

3.1.7.4.3 Auditees are informed of audit outcomes.

3.1.8 **Responsibilities**

*3.1.8.1 VPM**:** review applications and apply scoring; determine eligibility based on application score; administer exam.*

3.1.8.2 Cascale: approve eligibility criteria.

3.2 ASSESSMENT OF VBS HIGG FEM PROGRAM MANAGEMENT SYSTEMS

3.2.1 VB assessments review the policies and procedures VBs have in place to ensure the quality of Higg FEM Verifications conducted by their verifiers.

3.2.2 Minimally, VBs are required to have procedures in place to meet the requirements listed in the Higg FEM Requirements for Verifier Bodies and Verifiers Protocol.

3.2.3 The following procedure defines how the VPM conducts VB assessments.

*3.2.3.1 **Selecting VBs for Assessment***

3.2.3.1.1 All VBs will be subject to assessment.

3.2.3.1.2 Additional assessments may be conducted periodically and/or be based on VB performance or risk.

*3.2.3.2 **Assessing VBs***

3.2.3.2.1 The scope of the assessment is the VB's Higg FEM Verification program.

3.2.3.2.2 The VPM assesses:

3.2.3.2.2.1 The VB's policies and procedures on Verifier competence

3.2.3.2.2.2 The VB's policies and procedures on training for Verifiers

3.2.3.2.2.3 The VB's policies and procedures on internal quality, including report review

3.2.3.2.2.4 The VB's practices for calibrating Verifiers to ensure consistency, both within the VB and with external requirements

3.2.3.2.2.5 The VB's practices for ensuring auditors act ethically

3.2.3.2.3 Assessments are conducted remotely. The VPM requests documentation from the VB and will schedule teleconference meetings to review supporting documentation and procedures with VB management staff and a selected sample of Verifiers.

3.2.3.2.4 Once the VPM requests documentation, VBs have 14 days to submit the requested documentation to the VPM.

*3.2.3.3 **Reporting***

3.2.3.3.1 The outcomes of VB assessments are recorded in a standard report form.

3.2.3.3.2 Outcomes of VB assessments are shared with VBs so they can take steps to address gaps in their programs.

*3.2.3.4 **Corrective Action***

3.2.3.4.1 If the VPM finds significant gaps in the VB's program, the VB will be required to take corrective action to address those gaps.

3.2.3.4.2 VBs that do not take corrective action may be subject to suspension or termination of their VB status and the status of all associated verifiers.

3.2.4 **Responsibilities**

3.2.4.1 VPM: Select VBs for assessment in coordination with Cascale; ensure this procedure is consistently followed; qualify staff as VB assessors.

3.2.4.2 VPM VB Assessor: Conduct VB assessment in line with this procedure and generate report.

3.2.4.3 Cascale: Select VB's for assessment in coordination with VPM.

3.2.4.4 VBs: Provide information and documentation, as requested by the VPM.

3.3 DESKTOP REVIEW

3.3.1 Desktop Reviews are remote assessments of a Higg vFEM to ensure that they are the result of a high quality, reliable, and consistent verification process.

3.3.2 This procedure defines how Desktop Reviews are conducted

3.3.2.1 ***Report Selection***

3.3.2.1.1 Reports are selected based on risk, through stratified random sampling and simple random sampling. The strata for stratified sampling will include country, VB and Verifier.

3.3.2.1.2 The risk factors for selecting reports for review may include specific quality assurance flags identified by Cascale and VPM, VB/Verifier performance or facility feedback surveys.

3.3.2.2 ***Report Review***

3.3.2.2.1 Each facility response, verification selection (accurate, inaccurate, no response), corrected response, Verifier comment, and supporting documents are reviewed.

3.3.2.2.2 The report review identifies any instances where the report is incomplete or where verified data is not supported with evidence including:

3.3.2.2.2.1 Facility responses that were not verified (No "Verification Response" selected).

3.3.2.2.2.2 Instances where the incorrect Verification Response is selected (per the Verification Protocol)

3.3.2.2.2.3 Corrected responses that are inaccurate or inconsistent ("Verification Response or Comment" in the tool does not support the "corrected response").

3.3.2.2.2.4 Instances where Verifier comments are insufficient, unclear, inconsistent, or not in English.

3.3.2.2.2.5 Instances where facility provides inconsistent information that is not identified and corrected by the verifier.

3.3.2.2.2.6 Misapplication or misinterpretation of local laws or Higg FEM Guidance (e.g. Instances where it appears that the question was misinterpreted by the verifier, causing "false positive" response).

3.3.2.2.2.7 Verification data supporting a corrected response is outside the scope of the verification (e.g. data from outside the Higg FEM adoption cycle year).

3.3.2.2.3 The report review also identifies any areas where the report was not completed correctly and/or where the Verification protocol was not applied correctly, including**:**

3.3.2.2.3.1 Corrected responses that do not include Verification comments with necessary details.

3.3.2.2.3.2 Report comments use auditing terminology (e.g. "auditor", "auditee", "non-conformant").

3.3.2.2.4 The VPM may contact the verifier for clarifying observed issues.

3.3.2.3 ***Analyzing Inaccuracies and errors***

3.3.2.3.1 Any inaccuracies and errors (as defined above) are analyzed as part of the Desktop Review.

3.3.2.3.2 Inaccuracies and errors are categorized in order to summarize and report on the types of inaccuracies and errors that are most common and most critical.

3.3.2.4 ***Desktop Review Reporting***

3.3.2.4.1 Desktop Review outcomes are recorded in a standard report format.

3.3.2.4.2 Desktop Review reports are completed within 10 working days of selection of the report review.

3.3.2.4.3 Information regarding Verifier performance is captured in the Verifier scorecard.

3.3.2.4.4 The VPM provides Cascale with a summary of issues identified through Desktop Reviews.

3.3.2.4.5 The VPM aggregates information on common mistakes and misunderstanding and may issue technical bulletins to all VBs, so they are informed of common mistakes and critical issues

3.3.2.4.6 Individual Desktop Review reports are not provided to VBs.

3.3.2.4.7 Desktop Review outcomes are reflected in the verifier scoring.

3.3.2.4.7.1 Where Desktop Reviews indicate that the Verification quality is below average, the VPM notify the VB (via the VB Dashboard) of the specific issues identified in the report and the required action for improvement.

3.3.2.5 ***Invalidating Reports***

3.3.2.5.1 If the Desktop review finds any of the issues listed in Appendix B, Extreme Cases, the VPM may invalidate the Verification report.

3.3.2.5.2 If VPM determines a report must be invalidated, the VPM informs VBs and the facility

3.3.2.5.2.1 The VPM emails the facility and the VB informs that the report will be invalidated. A short explanation of why the report is being invalided is provided.

3.3.2.5.2.2 Four calendar days after the facility and VB are informed, the VPM sets the report status to Verification Invalidated (VRI) on the Worldly Platform.

3.3.2.5.3 Instances where reports are invalidated due to errors or oversights by the verifier will be reflected in the Verifier Score.

3.3.2.5.4 If a verification is invalidated due to significant issues with verifier performance, the VPM may suspend the Verifier from conducting additional verifications. Decisions to suspend Verifiers will be made jointly by the VPM and Cascale.

3.3.3 **Responsibilities**

3.3.3.1 VPM: ensure this procedure is consistently followed; select reports for review; qualify staff as report reviewers

3.4 COUNTER VERIFICATION

3.4.1 Counter Verifications are high level one-day visits to a recently verified facility. They are used to assess whether Higg FEM Verification protocols are being followed, whether verifiers have the skills and knowledge to conduct verifications, and whether verification report content is generally accurate. Counter Verifications can also identify risk and identify ways to improve the overall Higg FEM Verification Program.

3.4.2 When inconsistencies in data are found a Counter Verification investigates further to assess whether it is a competency issue (e.g. individual verifier's knowledge and skills, training program), a procedural issue (e.g. Verification Protocol quality, VB management procedures), or an ethical issue (e.g. bribery, corruption).

3.4.3 The following procedure defines how the VPM conducts Counter Verifications.

3.4.3.1 ***Counter Verifier Selection***

3.4.3.1.1 Counter Verifications are performed by qualified Counter Verifiers.

3.4.3.1.2 Counter Verifiers may work for either the VPM or a VB.

3.4.3.1.3 The VPM selects the Counter Verifier for each Counter Verification based on factors including availability, experience and cost.

3.4.3.1.4 To be considered qualified a Counter Verifier must

3.4.3.1.4.1 Meet the requirements for being a Verifier

3.4.3.1.4.2 Have a minimum of 5 years' experience conducting environmental assessments and/or consulting work that covers all aspects included in the Higg FEM

3.4.3.1.4.3 Have a minimum of 2 years' experience conducting quality assurance such as report reviews or internal audits

3.4.3.1.4.4 Additional qualifications and experiences may be considered as equivalents for the criteria listed above

3.4.3.1.5 A Counter Verifier cannot work for the VB that conducted the initial verification.

3.4.3.1.6 To avoid conflicts of interested and ensure integrity when Counter Verifications are performed by VBs, the VPM takes the following measures:

3.4.3.1.6.1 Reviewing each Counter Verification to confirm that the Counter Verifier assessed the facility objectively.

3.4.3.1.6.2 The name of the VB who performed the initial verification is not provided and is removed from reports and preparation materials.

3.4.3.1.6.3 Any determinations about Verifier performance during the initial Verification are made by the VPM not the Counter Verifier.

*3.4.3.2 **Counter Verification Facility Selection***

3.4.3.2.1 All verified facilities are subject to Counter Verification.

3.4.3.2.2 Selection of facilities for Counter Verification is done jointly by the VPM and Cascale.

3.4.3.2.3 Facilities will be chosen based on several criteria including risk factors, size, facility type, and geographic location.

3.4.3.2.4 The VPM contacts facilities to inform them of the Counter Verification.

3.4.3.2.5 Counter Verifications are announced. The VPM works with the facility and Counter Verifier to find a suitable date for the Counter Verification.

3.4.3.2.6 There are no costs to facilities for Counter Verifications.

*3.4.3.3 **Counter Verification Preparation***

3.4.3.3.1 Prior to the Counter Verification, the Counter Verifier reviews the verified report. This allows the Counter Verifier to review any inconsistencies and determine which questions to sample while on site. If the Counter Verification is conducted by a VB, the VPM makes this information available to the VB/Counter Verifier at least two weeks prior to the Counter Verification.

3.4.3.3.2 A Counter Verification agenda is sent to the facility at least one week prior to the Counter Verification

*3.4.3.4 **Counter Verification Methodology***

3.4.3.4.1 Counter Verifications are one (1) working day in duration.

3.4.3.4.2 Counter Verifications consist of three main activities:

3.4.3.4.2.1 Management interviews to assess verifier conduct and Verification procedure during the initial Verification.

3.4.3.4.2.2 Review of assessment questions and verified responses. This activity will include management/worker dialogue, facility walkthrough, document review and other activities that are part of a standard Higg FEM Verification.

3.4.3.4.2.3 Analyzing differences in verified assessment results and Counter Verification results.

3.4.3.4.3 These activities are conducted to assess the Verification process and determine whether verification protocols are followed; whether verifiers have appropriate skills and knowledge and if assessment reports are accurate and reliable. These activities are not used to correct or adjust the outcomes of the initial Verification.

*3.4.3.5 **Management interviews***

3.4.3.5.1 There are two types of management interviews conducted during Counter Verifications, each serving a different purpose.

3.4.3.5.1.1 The first type of management interview is to assess verifier conduct and Verification procedure during the initial verification. This is an activity that is unique to Counter Verifications and the purpose of this activity is to get input from facility management on the Verification process.

3.4.3.5.1.2 The second type of management interview is to assess report content. This activity is similar to management interviews that take place during regular verification and the purpose of this activity is to assess if the initial Higg vFEM responses are accurate.

3.4.3.5.2 To assess verifier conduct and verification procedure, a pre-defined set of questions is used as a guide to interview management. Questions are formulated to cross-check information from other QA activities and to gather additional information.

*3.4.3.6 **Reviewing self-assessment and verified responses***

3.4.3.6.1 The purpose of assessing facility responses and Verification responses is to evaluate if the verifier(s) correctly verified the Higg FEM during the initial Verification. If this is not the case an investigation starts into verifier quality and conduct.

3.4.3.6.2 Higg vFEM content is assessed by reviewing of a sample of facility responses and corrected responses. The question sample assesses questions from each Higg FEM section and level.

3.4.3.6.3 Prior to the Counter Verification, the counter verifier selects the questions that will be sampled. Depending on actual conditions on site, the questions assessed may be changed during the Counter Verification. The sample includes both questions where the response was corrected and questions where the responses were not corrected.

3.4.3.6.4 Counter Verifiers use the same Verification methodologies used during the initial Verification and follow the Verification Protocol for conducting verifications. Document reviews, factory walk through, worker interviews, and management interviews are all used to assess if information contained in the Higg vFEM is accurate.

3.4.3.6.5 Counter Verifications note and analyze any differences between facility responses, verified responses and what is observed on site during the Counter Verification.

3.4.3.6.5.1 Where differences are noted, Counter Verifiers determine the underlying reasons for the differences between what is contained in the verified report and what is observed on site. To do this analysis, Counter Verifiers may conduct additional document review, worker interviews and/or management interviews.

3.4.3.6.6 For the purposes of Counter Verifications, “observed on site” means any information obtained during a Counter Verification. This is not limited to visual observations but can include information obtained through worker or management interviews, document reviews, etc.

*3.4.3.7 **Submission of Counter Verification Data to the VPM***

3.4.3.7.1 If a Counter Verification is performed by a VB, the Counter Verifier submits an initial Counter Verification Report to the VPM, using a standard report template provided by the VPM.

3.4.3.7.2 The initial Counter Verification report includes data on what the Counter Verifier assessed on-site, highlighting any differences between the initial verification and the Counter Verification.

3.4.3.7.3 Initial Counter Verification reports are due to the VPM within 5 business days of the Counter Verification.

*3.4.3.8 **VPM Analysis of differences between initial Verification and Counter Verification***

3.4.3.8.1 The VPM analyzes any differences between the initial Verification and the Counter Verification. This assessment forms the basis for the VPM’s determination of whether Verification protocols were followed and if the verifier had the required skills and knowledge to conduct the initial verification.

3.4.3.8.2 Based on information provided by the Counter Verifier, the VPM categorizes any differences/discrepancies raised during the Counter Verification.

3.4.3.8.3 The VPM assesses whether the discrepancies were due to understandable point in time differences or due to systemic oversight or other issues with the initial Verification.

3.4.3.8.4 The VPM may follow up with VB Counter Verifiers if additional clarifications are necessary.

3.4.3.9 ***Final Counter Verification Reporting***

3.4.3.9.1 Counter Verifications reports are completed using a standard report template.

3.4.3.9.2 Reports are completed within 15 business days of the Counter Verification.

3.4.3.9.3 Facilities receive a summary of the Counter Verification report that includes:

3.4.3.9.3.1 Details on the Counter Verification (when it took place, the party that conducted it, etc.)

3.4.3.9.3.2 If there were no significant issues, confirmation that the Counter Verification did not show any significant issues

3.4.3.9.3.3 If there were significant issues found during the Counter Verification that would result in invalidation of the verification, a notification that the initial Verification is invalidated

3.4.3.9.4 The VB that conducted the initial Verification receive a summary of the Counter Verification Report that includes:

3.4.3.9.4.1 Details on the Counter Verification (when it took place, the party that conducted it, etc.)

3.4.3.9.4.2 Summary of any issues identified during the Counter Verification that were missed by the verifier (i.e. issues that were clearly present during the initial Verification and not captured in the report)

3.4.3.9.5 Where Counter Verifications indicate that the Verification quality is below average, the VPM will also notify the VB (via the VB Dashboard) of the specific issues identified in the report and the required action for improvement.

3.4.3.9.6 Counter Verification outcomes are reflected in the verifier scoring.

3.4.3.10 ***Invalidating Reports***

3.4.3.10.1 If the Counter Verification finds any of the issues listed in Appendix B, Extreme Cases, the VPM may invalidate the report.

3.4.3.10.2 The VPM emails the facility and the VB informs that the report will be invalidated. A short explanation of why the report is being invalided is provided.

3.4.3.10.3 Four calendar days after the facility and VB are informed, the VPM sets the report status to VRI on Worldly.

3.4.3.10.4 Instances where reports are invalidated due to errors or oversights by the verifier will be reflected in the verifier scorecard.

3.4.3.10.5 If a Verification is invalidated due to bribery or to significant issues with verifier performance, the VPM may suspend the verifier from conducting additional verifications. Decisions to suspend verifiers will be made jointly by the VPM and Cascale.

3.4.3.11 ***Responsibilities***

3.4.3.11.1 Counter Verifiers: conduct Counter Verifications in line with this procedure and completing Counter Verification reports.

3.4.3.11.2 VPM:

3.4.3.11.2.1 Recruit and qualify Counter Verifiers to conduct Counter Verifications;

3.4.3.11.2.2 Ensure that this procedure is followed consistently;

3.4.3.11.2.3 Conduct QA reviews of Counter Verification reports;

3.4.3.11.2.4 Select Counter Verification facilities, in cooperation with Cascale.

3.4.3.11.3 Cascale: Approve updates and amendments to this procedure and determine Counter Verification facilities, in cooperation with the VPM.

3.4.3.11.4 Brands and Facilities: Support and facilitate scheduling of Counter Verifications

3.5 DUPLICATE VERIFICATION

3.5.1 Duplicate Verifications are a repeat of a verification, done at a different point in time by a different VB or the VPM. They are used to assess if Higg FEM Verification protocols are being followed, whether verifiers have the skills and knowledge to conduct verifications, and whether verification report content is generally accurate.

3.5.2 When inconsistencies in data are found between the original and duplicate verifications, the VPM investigates further to assess whether it is a competency issue (e.g. individual verifier's knowledge and skills, training program), or a procedural issue (e.g. Verification Protocol quality, VB management procedures), or an ethical issue (e.g. bribery, corruption)

3.5.3 The following procedure defines how the VPM conducts Duplicate Verifications.

3.5.3.1 ***Duplicate Verifier Selection***

3.5.3.1.1 Duplicate Verifications are performed by Higg FEM Verifiers or the VPM.

3.5.3.1.2 VPM staff that perform the Duplicate Verifications meet the requirements for being a Higg FEM Verifier.

3.5.3.1.3 VBs shall not perform Duplicate Verifications if they performed the initial Verification.

3.5.3.1.4 Duplicate Verifier shall not review the existing Higg vFEM, however, they will be permitted to view the facility self-assessment as they would a typical verification.

3.5.3.1.5 The VPM selects the VB based on factors including availability, experience and cost.

3.5.3.1.6 The VB selects the Duplicate Verifier from any approved Verifier available and provides information on Verifier to the VPM for scheduling.

*3.5.3.2 **Duplicate Verification Facility Selection***

3.5.4 All verified facilities are subject to Duplicate Verification.

3.5.5 Selection of facilities for Duplicate Verification is done jointly by the VPM and Cascale.

3.5.6 Facilities will be chosen based on several criteria including risk factors, size, facility type and geographic location.

3.5.7 The VPM contacts facilities to inform them of the Duplicate Verification.

3.5.8 Duplicate Verifications are announced. The VPM works with the facility and Duplicate Verifier to find a suitable date for the Duplicate Verification.

3.5.9 There are no costs to facilities for Duplicate Verifications.

*3.5.9.1 **Duplicate Verification Preparation***

3.5.9.1.1 Preparation is the same as for a standard verification.

*3.5.9.2 **Duplicate Verification Methodology***

3.5.9.2.1 Duplicate Verifications consist of the same Verification protocols as a standard verification.

*3.5.9.3 **Submission of Duplicate Verification Data to the VPM***

3.5.9.3.1 If a Duplicate Verification is performed by a VB, the Duplicate Verifier submits an initial Duplicate Verification Report to the VPM, this is done through a Duplicate Verification Account on the Worldly platform. Access is provided by the VPM.

3.5.9.3.2 Initial Duplicate Verification reports are due to the VPM within 5 business days of the Duplicate Verification

*3.5.9.4 **VPM Analysis of differences between initial Verification and Duplicate Verification***

3.5.9.4.1 The VPM analyzes any differences between the initial Verification and the Duplicate Verification and overall comparability of the results. This includes determining the variance (i.e. percent difference) in Higg FEM scoring, accuracy rate, and other key quantitative metrics.

3.5.9.4.2 This assessment forms the basis for the VPM's determination of whether Higg FEM protocols were followed and the repeatability of Verification outcomes across different VBs/Verifiers.

3.5.9.4.3 The VPM assess if the discrepancies were due to understandable point in time differences or due to systemic oversight or other issues with the initial Verification.

3.5.9.4.4 The VPM may follow up with VB Duplicate Verifiers if additional clarifications are necessary.

*3.5.9.5 **Final Duplicate Verification Report***

3.5.9.5.1 Duplicate Verifications reports are completed using a standard report template.

3.5.9.5.2 Reports are completed within 15 business days of the Duplicate Verification.

3.5.9.5.3 Facilities receive a summary of the Duplicate Verification report that includes:

3.5.9.5.3.1 Details on the Duplicate Verification (when it took place, the party that conducted it, etc.).

3.5.9.5.3.2 If there were no significant issues, confirmation that the Duplicate Verification did not show any significant issues.

3.5.9.5.3.3 If there were significant issues found during the Duplicate Verification that would result in invalidation of the verification, a notification that the initial Verification is invalidated.

3.5.9.5.4 Verifier Bodies receive a summary of the Duplicate Verification Report that includes:

3.5.9.5.4.1 Details on the Duplicate Verification (when it took place, the party that conducted it, etc.).

3.5.9.5.4.2 Summary of any issues identified during the Duplicate Verification that were missed by the Verifier (i.e. issues that were clearly present during the initial Verification and not captured in the report).

*3.5.9.6 **Invalidating Reports***

3.5.9.6.1 If the Duplicate Verification finds any of the issues listed in Appendix B, Extreme Cases, the VPM may invalidate the report.

3.5.9.6.2 The VPM emails the facility and the VB informs that the report will be invalidated. A short explanation of why the Verification is being invalided is provided.

3.5.9.6.3 Four calendar days after the facility and VB are informed, the VPM sets the report status to VRI on the Worldly Platform.

3.5.9.6.4 Instances where reports are invalidated due to errors or oversights by the verifier will be reflected in the verifier scorecard.

3.5.9.6.5 If a Verification is invalidated due to bribery or to significant issues with Verifier performance, the VPM may suspend the Verifier from conducting additional Verifications. Decisions to suspend Verifiers will be made jointly by the VPM and Cascale.

*3.5.9.7 **Responsibilities***

3.5.9.7.1 Duplicate Verifiers: Conduct Duplicate Verifications in line with this procedure and completing Duplicate Verification reports.

3.5.9.7.2 VPM:

3.5.9.7.2.1 Ensure that this procedure is followed consistently;

3.5.9.7.2.2 Conduct QA reviews of Duplicate Verification reports;

3.5.9.7.2.3 Determine Duplicate Verification facilities, in cooperation with Cascale.

3.5.9.7.3 Cascale: Approve updates and amendments to this procedure and determine Duplicate Verification facilities, in cooperation with the VPM.

3.5.9.7.4 Brands and Facilities: Support and facilitate scheduling of Duplicate Verifications

3.6 SHADOW VERIFICATION

3.6.1 Shadow Verifications are an observation of a Verification to assess verifier performance. This may be done by the VPM or self-nominated Brand or Manufacturer representatives (2nd parties). During a Shadow Verification, the Shadow Verifier observes the verifier to confirm that Higg FEM protocols are followed, and that the verification is conducted in line with Cascale expectations.

3.6.2 The following procedure defines how the VPM conducts Shadow Verifications.

*3.6.2.1 **Shadow Verification Selection***

3.6.2.1.1 Verifications are selected for shadowing by the VPM.

3.6.2.1.2 Verifications are selected by the VPM randomly as well as based on risk. Verifications are selected randomly as well as based on risk. Risk factors include known issues with Verifier performance, known issues with VB performance, facilities that are involved in a complaint or dispute and suspected issues of bribery and corruption.

3.6.2.1.3 Shadow Verifications are announced to both the VB and the facility.

3.6.2.1.4 To facilitate Shadow Verifications, VBs must provide the VPM with information on scheduling of Verifications when requested.

*3.6.2.2 **Shadow Verification Process***

3.6.2.2.1 During the opening meeting the Shadow Verifier is introduced, and the purpose of the Shadow Verification explained.

3.6.2.2.2 The Shadow Verifier observes the Verification process and notes instances where Verification Protocols are not followed or where other Cascale requirements are not met by the verifier. The Shadow Verifier also notes any best practices.

3.6.2.2.3 Verifiers are assessed on how well they follow Verification protocols, their understanding of the Higg FEM system, professionalism, preparation, time management, reporting, knowledge of environmental sustainability subject matter covered in the Higg FEM.

3.6.2.2.4 During the on-site verification, the Shadow Verifier does not actively participate in the Verification. The Shadow Verifier does not gather information or provide guidance to the Verifier. The Shadow Verifier may periodically ask the verifier questions for clarification, but this shall not interfere with the verification process.

3.6.2.2.5 The Shadow Verification includes a review of the finalized Higg vFEM to assess how accurately the report reflects the on-site verification.

3.6.2.3 ***Shadow Verification Reporting***

3.6.2.3.1 Shadow Verification outcomes are recorded using a standard report format.

3.6.2.3.2 Shadow Verification reports are completed within 15 business days of the verification report being finalized.

3.6.2.3.3 VBs are provided with the Shadow Verification report.

3.6.2.3.3.1 Where Shadow Verifications indicate that the Verification quality is below average, the VPM will also notify the VB (via the VB Dashboard) of the specific issues identified in the report and the required action for improvement.

3.6.2.3.4 Shadow Verification outcomes are reflected in the verifier scoring.

3.6.2.4 ***Invalidating Reports***

3.6.2.4.1 If during the Shadow Verification, the VPM finds any of the issues listed in Appendix B, Extreme Cases, the VPM may invalidate the report.

3.6.2.4.2 The VPM emails the facility and the VB informs that the report will be invalidated. A short explanation of why the Verification is being invalided is provided.

3.6.2.4.3 Four calendar days after the facility and VB are informed, the VPM sets the report status to VRI on Worldly.

3.6.2.5 ***Responsibilities***

3.6.2.5.1 Shadow Verifiers: Conduct Shadow Verifications in line with this procedure

3.6.2.5.2 VPM:

3.6.2.5.2.1 Ensure that this procedure is followed consistently;

3.6.2.5.2.2 Conduct QA reviews of Shadow Verification reports;

3.6.2.5.2.3 Determine Shadow Verification facilities, in cooperation with Cascale.

3.6.2.5.3 Cascale: Approve updates and amendments to this procedure and determine Shadow Verification facilities, in cooperation with the VPM.

3.6.2.5.4 Brands and Facilities: Support and facilitate scheduling of Shadow Verifications

3.7 FEEDBACK FROM HIGG FEM SYSTEM USERS

3.7.1 Feedback from Higg FEM system users gives valuable information on the workings of Higg FEM Verification and the quality of VBs and the Verifiers. The VPM uses collected feedback to populate verifier scorecards. Gathered information contributes to ensuring quality of Verification.

*3.7.1.1 **Feedback forms***

3.7.1.1.1 A feedback form is sent to all facilities after they complete a verification. Facilities are asked to provide comments on the verification process and Verifier conduct. Completing the form is optional.

3.7.1.1.2 A feedback form is sent to all Verifiers after they complete verification. Verifiers are asked to provide comments on the verification process. Completing the feedback form is optional.

*3.7.1.2 **Feedback outcomes***

3.7.1.2.1 All feedback is captured and analyzed by the VPM. The VPM provides Cascale with summaries of feedback.

3.7.1.2.2 Feedback is used to identify areas for overall Higg FEM Verification program improvements.

3.7.1.2.3 Feedback may result in a formal complaint investigation or may result in the VPM following up directly with a facility, Verifier, VB to resolve an issue.

*3.7.1.3 **Cascale system user questions***

3.7.1.4 Through the online Cascale Helpdesk, system users can submit requests. Requests related to verification are automatically forwarded to the VPM.

3.7.1.5 Information requests and frequently asked questions (FAQs)are captured by the VPM for evaluation of the Verification program and informed to the VB/Verifier Community via the VB Dashboard when appropriate.

*3.7.1.6 **Responsibilities***

3.7.1.6.1 VPM: Collect feedback data into database; analyze feedback data; manage complaints (as applicable).

3.8 DISPUTES

3.8.1 A dispute is an issue related to Verifier conduct or the verifier not following the Verification protocol.

3.8.1.1 The dispute process is not used to resolve issues or disagreements over verification outcomes of specific questions. If the facility has concerns about specific verification responses and outcomes of the verification, the Verifier should be made aware of those concerns at the closing meeting, so they can be swiftly resolved before the Verification is completed.

3.8.1.2 The facility may also request edits to the Higg vFEM from the VB/Verifier through the Higg platform before the verification is finalized. This should be used to resolve any question-specific issues directly with the Verifier.

3.8.1.3 This process does not require Verification Program Manager (VPM) involvement and would not be considered as part of the dispute process.

3.8.2 The following procedure defines how Disputes are raised and managed by the VPM.

3.8.2.1 ***Raising Disputes***

3.8.2.1.1 Only facilities may raise disputes.

3.8.2.1.2 Disputes are instances where a facility has an issue with their verified assessment related to Verifier conduct or the verifier not following the Verification protocol.

3.8.2.1.3 Disputes are raised on the Worldly platform.

3.8.2.1.3.1 When initiating a dispute, facilities are required to provide information on the reason for the dispute. This information should be provided in the relevant input fields after the facility selects the "Dispute Verification" option under the "Available Actions" section of the module Overview page.

3.8.2.1.4 A facility has one opportunity per verification to raise a dispute. Multiple issues may be included within a single dispute.

3.8.2.1.4.1 For example, if the dispute is raised because the Verifier did not spend enough time on site and because the Verifier did not speak the language of management at the Facility, these issues are raised together in one dispute.

3.8.2.1.5 A facility should raise a dispute within 5 days of a verified module being set to VRC (Verification Complete) status by the Verifier.

3.8.2.1.6 Examples of incidents which can be substantiated as Dispute

3.8.2.1.6.1 Verifier failed to spend the appropriate amount of time to properly assess the accuracy of the facilities self-assessment data. E.g. Although it was recommended that the Verifier spend two days as per person-day guidance, the verifier only spent one day and also failed to review all of the energy use documentation provided by the facility. This lack of review of documentation resulted in the Verifier wrongly noting the self-assessment question as 'inaccurate.' This would be a failure to follow the established protocols and would be considered unprofessional behavior.

3.8.2.1.7 Examples of incidents which can NOT be substantiated as Dispute

3.8.2.1.7.1 The facility provided an environmental strategy document to the verifier. Upon review the Verifier determined in their judgement the document did not meet the minimum requirement for a "Yes" response and marked the facilities answer of "Yes" as 'inaccurate' and corrected the response to "No." The facility disagrees with this assessment. This would be question level disagreement on the verifier's judgement. These should be addressed directly with the verifier and Verifier Body on a collaborative way after requesting edits through the Higg platform and initiating VRE status.

*3.8.2.2 **Substantiating Disputes***

3.8.2.2.1 Within 5 working days, the VPM evaluates the dispute to determine if it is valid.

3.8.2.2.2 To be valid, a dispute must relate to Verifier conduct or the Verification Protocol and must relate to a specific verification. Question level issues are not considered valid disputes.

3.8.2.2.3 Disputes that are not substantiated may be treated as complaints. This does not impact the status of the verified assessment.

*3.8.2.3 **Investigating Disputes***

3.8.2.3.1 If a dispute is substantiated, the VPM investigates.

3.8.2.3.2 The Facility, Verifier and/or VB may be contacted to provide additional information.

3.8.2.3.3 The VPM may consult with Cascale regarding the dispute.

3.8.2.3.4 The VPM shall resolve all disputes within 10 working days, unless there is coordination issue with the related parties.

*3.8.2.4 **Outcomes of Disputes***

3.8.2.4.1 There are three potential outcomes of a dispute:

3.8.2.4.1.1 The VPM determines a change is needed to the report

3.8.2.4.1.2 The VPM determines the report is invalidated

3.8.2.4.1.3 The VPM determines no change is required and the report is finalized with no edits.

3.8.2.4.2 If the VPM determines that a change is needed to the report:

3.8.2.4.2.1 The VPM informs the Verifier and Facility of the change required.

3.8.2.4.2.2 The VPM sets the status of the verified module to VRE to allow edits to the module.

3.8.2.4.2.3 The Verifier and the Facility have 10 days to make and review the change and set the module status to VRF.

3.8.2.4.2.4 On the 10th day, the status of the verified module is set to VRF unless the facility finalized the module (i.e. initiates VRF status) prior to day 10.

3.8.2.4.3 If the VPM determines there were significant issues and the verification meets the criteria for invalidation (see Appendix B):

3.8.2.4.3.1 The VPM informs the verifier and the facility that the verification will be invalidated.

3.8.2.4.3.2 Within 5 days after the VPM informs the verifier and the facility, the VPM sets the status to VRI.

3.8.2.4.4 If the VPM determines that there are no changes needed to the report:

3.8.2.4.4.1 The VPM informs the verifier and the facility that the verification report will not be changed.

3.8.2.4.4.2 Within 5 days the VPM informs the verifier and the facility and the VPM sets the status to VRF.

*3.8.2.5 **Tracking and Reporting on Disputes***

3.8.2.5.1 All disputes received by the VPM are tracked.

3.8.2.5.2 The VPM analyzes information form disputes to determine if disputes relate to issues such as individual verifier competence, VB management procedures, Verification Protocol quality and provides a summary of this information and any recommendations to Cascale for program improvements.

*3.8.2.6 **Responsibilities***

3.8.2.6.1 VPM: Collect, review and investigate disputes.

3.9 Complaints Related to Higg FEM Verification Program

3.9.1 The complaints mechanism is a formal channel for all Higg FEM system users to raise concerns about the Higg FEM Verification Program. Through the complaint mechanism, issues are reviewed and addressed.

3.9.2 The following procedure defines how complaints are raised and managed by the VPM

*3.9.2.1 **Filing complaint***

3.9.2.1.1 Higg FEM System Users can submit complaints using the Higg FEM Verification Complaints Form.

3.9.2.1.2 A complaint should include details on the nature and content of the complaint and the parties involved, preferably including names and contact details.

3.9.2.1.3 Complaints can be filed anonymously.

3.9.2.1.4 In addition to formally making a complaint, other feedback mechanisms may result in a complaint being created:

3.9.2.1.4.1 Higg FEM user feedback forms: negative feedback that requires further investigation may be treated as a complaint.

3.9.2.1.4.2 Disputes of a verification outcome may lead to or be recategorized as a complaint.

3.9.2.1.4.3 Other feedback received (e.g. Helpdesk tickets) may be categorized and investigated as a complaint.

*3.9.2.2 **Substantiating Complaints***

3.9.2.2.1 Within 5 working days of receiving the complaint, the VPM evaluates the complaint to determine if it is valid. The VPM may request additional information from the complainant to substantiate the complaint.

3.9.2.2.2 To be valid, a complaint must relate to the Higg FEM Verification Program or the conduct of its users (i.e. facilities, Verifiers). The VPM reviews each complaint received to determine if it is valid.

3.9.2.2.2.1 Complaints relating to pricing or aspects of VB or other stakeholder business decisions are not considered valid.

3.9.2.2.2.2 Technology issues relating to the Higg platform are referred to Higg Support.

3.9.2.2.2.3 Issues that have been resolved through the dispute mechanism are not considered valid.

3.9.2.2.2.4 Some issues raised through the complaint process may not be valid complaints and/or be out of the scope of the Higg FEM Verification Program, but may be useful input for Cascale (for example, if the complaint form is used to express dissatisfaction about the Higg FEM broader program such as country scope, fee charges, communication etc.). This information is forwarded to Cascale.

3.9.2.2.3 The VPM may forward complaints to Cascale or stakeholders for further follow up and investigation.

*3.9.2.3 **Investigating Complaints***

3.9.2.3.1 If a complaint relates to the Verification process (Verifier conduct, Verification Protocol, verified assessment reports) the VPM will investigate the case.

3.9.2.3.2 The complainant may be contacted during the investigation to provide additional information.

3.9.2.3.3 The VPM attempts to resolve all complaints within 10 working days.

3.9.2.3.4 Once a substantiated complaint is resolved, or if it cannot be resolved, the complainant is informed of the outcome.

*3.9.2.4 **Confidentiality***

3.9.2.4.1 The VPM makes all reasonable efforts to ensure the confidentiality of complaints and the identity of complainants. The VPM refrains from providing names of complainants, Verifiers, VBs, facilities or providing other identifying information when investigating complaints.

3.9.2.4.2 If a complaint cannot be investigated without identifying the complainant, the complainant is first informed that their complaint cannot be kept confidential. The complainant is given the option to withdraw their complaint.

*3.9.2.5 **Tracking and Reporting on Complaints***

3.9.2.5.1 All complaints received by the VPM are tracked, including complaints that are not substantiated.

3.9.2.5.2 The VPM provides Cascale with a summary and status of complaints.

3.9.2.5.3 Information may be used to populate the VB/Verifier scorecard.

*3.9.2.6 **Responsibilities***

3.9.2.6.1 VPM: Respond and if relevant acts upon complaints filed.

3.10 VERIFIER SCORING

3.10.1 Verifier Scoring aggregates data from the Higg FEM QA program and uses it to rate verifier performance.

*3.10.1.1 **Scoring Inputs***

3.10.1.1.1 The following sources of data on Verifier performance are used to calculate the verifier Score:

3.10.1.1.1.1 Desktop Review outcomes

3.10.1.1.1.2 Counter Verification outcomes

3.10.1.1.1.3 Duplicate Verification outcomes

3.10.1.1.1.4 Shadow Verification outcomes

3.10.1.1.1.5 Facility feedback

3.10.1.2 ***Scoring Criteria***

3.10.1.2.1 Verifier performance is rated by the VPM according to set criteria.

3.10.1.2.2 A score is provided for each verification for which QA data is available.

3.10.1.2.3 The scoring inputs described above are aggregated into a single numeric verifier score.

3.10.1.2.4 The verifier score is an average score from all verifications for which scores exist.

3.10.1.2.5 Inputs are weighted based on importance (QA items are considered more important than feedback).

3.10.1.2.6 Data on scores is stored in VPM database and attached to each verification.

3.10.1.2.7 VBs have access to an online dashboard with the scores of their Verifiers and where applicable, feedback for improvement.

3.10.1.3 ***Communications***

3.10.1.3.1 The VPM provides each VB with a private dashboard summarizing performance data including:

3.10.1.3.1.1 VB's individual Verifier scores (including average score for all Verifiers for comparison)

3.10.1.3.1.2 Messages and bulletins summarizing areas of potential improvement

3.10.1.3.1.3 Results of VB assessments

3.10.1.3.2 The purpose of these dashboard is to provide feedback on overall and individual Verifier quality. It is expected that VB's will use the data to implement internal Quality Assurance procedures and training to ensure continuous improvement of Higg FEM Verifications.

3.10.1.4 ***Responsibilities***

3.10.2 VPM: Collect scoring data and calculate Verifier scores.

3.10.3 VB: Develop action plans based on Verifier improvement feedback.

4 STAKEHOLDER QUALITY ASSURANCE PROGRAM

4.1 OBJECTIVE

4.1.1 The objective of the Stakeholder QA Program is to allow Cascale and the VPM to use QA data that may be gathered during normal course of business by various stakeholders such as brands and stakeholders.

4.1.2 Many stakeholders are performing their own review of verification reports for QA purposes and using these results will allow Cascale to expand QA scope beyond what can be provided through the VPM.

4.1.3 Results of stakeholder QA offers another potentially useful Key Performance Indicator (KPI) to drive quality among VBs.

4.2 STAKEHOLDER QA PROCESS

4.2.1 A flowchart of the Stakeholder QA Process is presented in Appendix C.

*4.2.1.1 **Initiation***

4.2.1.1.1 A stakeholder can express an interest in providing QA data to the VPM by informing Cascale or the VPM directly.

4.2.1.1.2 The VPM will arrange a conference call/meeting to initially discuss how a stakeholder would like to participate in the program. There are three primary avenues to provide data.

4.2.1.1.2.1 Ad Hoc Feedback

4.2.1.1.2.2 Conduct Shadow Verifications

4.2.1.1.2.3 Standardized Data Review

4.2.1.1.3 The VPM and Cascale will assess and consider any potential conflicts of interest before accepting QA data from stakeholders (e.g. Second Party VBs that are approved Higg FEM VBs).

4.2.1.1.4 Currently, the VPM only checks the technical attributes of the stakeholder QA data and does not evaluate or monitor the management and execution of QA done by stakeholders participating in the program.

*4.2.1.2 **Ad Hoc Feedback***

4.2.1.2.1 If a stakeholder does not wish to or cannot provide ‘standardized’ data, they may choose to provide ad hoc feedback.

4.2.1.2.2 In coordination with the VPM, the stakeholder will agree upon a cadence (e.g., monthly, quarterly) to provide a summary of findings of QA performed by stakeholder.

4.2.1.2.2.1 Generally, this means a narrative summary of specific or general quality issues identified through the stakeholder's QA process.

4.2.1.2.2.2 The feedback content and template can be standardized depending on the scope of stakeholder QA. The VPM and stakeholder will jointly agree on format.

4.2.1.2.3 Generally, this narrative will be provided via email, form, or conference call as determined best suited for both parties.

4.2.1.2.4 The VPM will review the provided information and identify any actionable issues.

4.2.1.3 Shadow Verifications

4.2.1.3.1 The VPM will provide access to a brief training module on the Higg FEM Shadow Verification process including completion and submittal of the shadow verification tool to the VPM.

4.2.1.3.2 The stakeholder will follow the Higg FEM Shadow Verification procedure provided by the VPM.

4.2.1.3.3 All completed reports will be sent to the VPM at FEM@sumerra.com.

4.2.1.4 Standardized Review Data

4.2.1.4.1 The stakeholder will provide the VPM an example of data output from QA processes.

4.2.1.4.1.1 Data must be linked to the unique Higg FEM Survey ID (e.g., femsurvey:xxxxxxx)

4.2.1.4.1.2 Data generally will be in the form of a spreadsheet/csv file but may also be transmitted in another standard digital format (e.g., json).

4.2.1.4.2 The VPM will provide a technical review of the data output and make recommendations on data formats, as needed, to properly upload to the VPM database.

4.2.1.4.3 The VPM will review the general process for generating QA data to check if this generally aligns with quality objectives and methods of the VPM.

4.2.1.4.4 Examples of source data reports may be requested.

4.2.1.4.5 The stakeholder and VPM will jointly agree on the final data format.

4.2.1.4.6 VPM will develop and deploy a submittal / upload method for the stakeholder QA data.

4.2.1.4.7 The stakeholder will submit data to the VPM through the developed method.

4.2.1.5 External Stakeholder Score

4.2.1.5.1 As noted, the VPM does not 'approve' or monitor QA processes of the stakeholder participant. Therefore, the Stakeholder Score is separate from the VPM Verifier Score.

4.2.1.5.2 The VPM will aggregate QA data scores from standardized data and Shadow Verifications into a 'Stakeholder Score' that is associated to the verification in the VPM database.

4.2.1.5.3 A Verifier Body (VB) will be provided an aggregated "External Stakeholder QA Score" if data is available. This score will be displayed on the VB dashboard.

4.2.1.5.4 Ad hoc feedback will not feed into the External Stakeholder QA Score. Rather, depending on the outcome of the investigation, and if a Corrective Action Request (CAR) is issued, the results may feed into the VBs Score. The VB Score is a cumulative score generated by the VPM on a continual basis depending on the outcomes of VPM QA activity.

4.2.1.5.5 Future program protocols may include a more formal approval/ acceptance/ monitoring process that can allow some stakeholder data to be integrated into the VB Score.

5 RELATED DOCUMENTS

Higg FEM Requirements for Verifier Bodies and Verifiers

Higg FEM Verification Protocol

Higg FEM Ethics Investigation Protocol

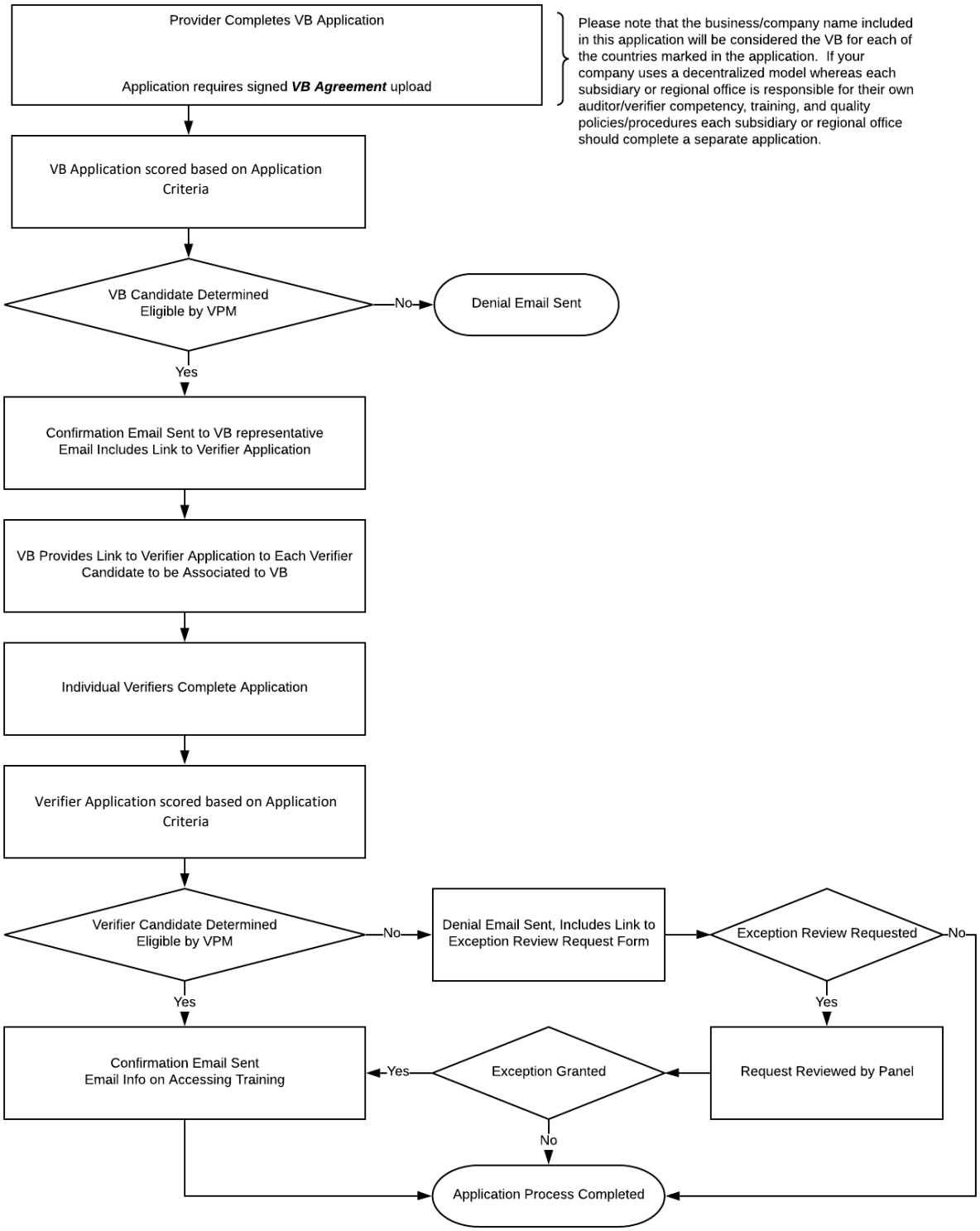
Higg FEM Verification Complaints Form

6 DOCUMENT CHANGE LOG

Date	Section	Summary of Changes
2022-04-28	N/A	• Updated document format • Replaces SAC Higg FEM Verification Quality Assurance Manual Version 1.0 (April 2020)
	New Section – 4.0	• Added Stakeholder QA Process
2024-04-40	N/A	• Updated for Cascale (formerly SAC) Rebrand

7 APPENDICES

7.1 APPENDIX A – VB/VERIFIER APPLICATION PROCESS



7.2 APPENDIX B – EXTREME CASES (FOR INVALIDATING REPORTS)

7.2.1 When a verified assessment report is considered invalid, the status ''invalidated'' is attributed in the Worldly Platform and all stakeholders are notified (facility, Verifier, end user).

7.2.2 Verified assessment report is considered invalid when:

7.2.2.1 ***Basic quality standards are not met:***

7.2.2.1.1 Tool not completed (over 5 percent of the questions left blank)

7.2.2.1.2 Tool not completed in English

7.2.2.1.3 Significant number of Verification determinations not supported with evidence

7.2.2.1.4 Significant number of findings not clearly communicated (Verifier Comments are not written clearly or can be interpreted in more than one way; questions not correctly answered)

7.2.2.2 ***Verifier requirements are not met:***

7.2.2.2.1 Verifier not approved by VPM

7.2.2.2.2 Verifier visiting facility for second time in a row without registering this in the Repeat Verification Registry

7.2.2.2.3 Verifier provided facility with consulting services within 24 months of verification

7.2.2.2.4 Verifier did not spend sufficient person-days on site

7.2.2.3 ***Significant issues with the Verification process are found:***

7.2.2.3.1 Evidence of bribery (solicited or accepted by verifier)

7.2.2.3.2 Evidence of prohibited 'selling' of products or services in violation of the terms

7.2.2.3.3 Verifier was denied access to facility grounds (entirely or in part)

7.2.2.3.4 Verifier was denied access to workers (dialogue)

7.2.2.3.5 Verifier was denied access to information (documents)

7.2.2.3.6 Observations at the verified site were not captured in the report

7.3 APPENDIX C - STAKEHOLDER QA PROCESS