

Higg FEM 4.0 General FAQ

Prepared by Worldly and the Sustainable Apparel Coalition

What are the differences between the Higg FEM 3.0 (2022) and the Higg FEM 4.0?

- Higg FEM 4.0 includes revised, new, and omitted questions. With these adjustments, Higg FEM 4.0 is more customized than Higg FEM 3.0 and better meets the data needs of facilities and their value chain partners.
- Higg FEM 4.0 questions build on those in Higg FEM 3.0, giving users access to more data that provides more details about their environmental performance.
- Embedded into the Higg FEM 4.0 are new features that offer an improved user experience and greater data integrity:
 - **Updated guidance and design** for each section and question directly on the platform. This allows for longer and more extensive guidance right where and when users need it.
 - **A lower risk of human error:** Higg FEM 4.0 will include a new capability for automatically detecting data anomalies. This will highlight possible data anomalies or errors based on a facility's profile and prior submissions - helping prevent errors at the source, and give all value chain partners more confidence in the data being reported.

What are the updates to the Higg FEM 4.0 methodology?

- **Better data quality:** The Higg FEM 4.0 incorporates years of user and stakeholder feedback, providing more detailed and more relevant data than prior versions. The additions and increased specificity are in response to member and user demands for more precise and accurate information.
- **Alignment with GHG protocol:** The accurate calculation of greenhouse gas (GHG) emissions is increasingly critical for the industry. While Higg FEM 3.0 did not align with GHG emissions calculation standards, using Higg FEM 4.0, facilities can accurately calculate their scope 1 and 2 emissions, enabling brands and retailers to work towards scope 3 emissions calculations.
- **Expansion of environmental issues:** The update covers more environmental impacts that are relevant to our industry, including groundwater and soil contamination, phasing out coal and fossil-fuel, carbon offsets, and rainwater harvesting. The update ensures that the tool remains relevant to businesses in today's environment and addresses contemporary challenges.

- **Relevancy:** As facilities complete the assessment, they will now only see questions relevant to their specific operations, eliminating time wasted on irrelevant questions.
- **Driving the industry forward:** The objective of these changes is to ultimately propel industry performance forward, ensuring that Higg FEM 4.0 remains a pivotal guide in pushing for better environmental practices.

How will I be able to compare year-over-year results?

- Users will be able to download CSV files that compare historic Higg FEM data with their 2023 results, helping with year-over-year results comparisons. We will alert users as more information on navigating these files is released.

Will Higg FEM 4.0 help me with any public reporting standards?

- Primary data from Higg FEM 4.0 can be exported and used for various reporting purposes. While the questions will map most directly to the ZDHC Roadmap to Zero, GHG Protocol and the Science-Based Target initiative (SBTi), collecting data is an essential first step for reporting to all public standards. Additionally, Higg FEM 4.0 data may be used as an informant when reporting to standards such as SASB, CDP, and GRI.

What is the best way to buy Higg FEM 4.0 this year?

- Facilities may buy a subscription package on Worldly starting in September. We encourage them to subscribe early. They will receive email and platform communications from Worldly when the subscriptions become available and throughout the FEM cadence.

How will Higg FEM 4.0 impact the apparel and footwear industry?

- Higg FEM 4.0 is designed to meet current industry needs for more granular primary data to understand environmental hotspots and improve impact. Additionally, as the ESG regulatory landscape comes into focus, Higg FEM 4.0 will help brands and manufacturers gather the data they will need to provide to reporting frameworks.

What does the update to Higg FEM 4.0 mean for the SAC and its partners?

- Higg FEM 4.0 was updated and improved based on feedback and requests from industry experts, SAC members, and apparel industry stakeholders. It provides the data and insights brands, manufacturers, and facilities need to most accurately identify environmental hotspots and make improvements.
- The SAC has expanded the assessment to provide the industry with better data quality, to align with the GHG protocol, prepare companies as they build their compliance strategies, and help them evaluate a wider array of environmental issues.

What opportunities does the Higg FEM 4.0 offer for adjacent industries?

- Future updates to Higg FEM 4.0 will incorporate data streams that more broadly encompass the consumer goods industry, including hard goods and outdoor sporting goods.

What did the SAC's collaboration and update process involve?

- The SAC compiled feedback from users on the platform. Through an open call for applications, SAC members were invited to join a Member Expert Team (MET). The MET included representatives from Brand, Manufacturer, and Affiliate SAC members. The MET representatives were divided based on their expertise within each area of the FEM (EMS, Energy, Water, etc.)
- Industry stakeholders who are experts in specific topics (ex: ZDHC for Chemicals, Air and Wastewater METs) were also included
- Over 24 months, the SAC conducted weekly or biweekly calls with METs to discuss, draft, and add questions and intent for each FEM section
- SAC Facility Tools experts conducted internal reviews and organized content to present to the METs for review and feedback. After the METs provided feedback, all SAC members were invited to provide their own feedback as well.
- All feedback was incorporated into MET processable documents, using internal resources and external expert service providers (such as Sumerra). The outcome was based on feedback from individual METs, and was also based on reviews and discussions with METs to draft the final version of the FEM 4.0 question set.
- In December 2022, a technical paper outlining the changes that were being made to FEM 4.0 was released to make the industry aware of the updates.

- Consultants developed the How to Higg Guide for FEM 4.0 – How to Higg outlines guidance for each Higg Index tool. METs reviewed the updated guide for FEM 4.0, which was then revised based on their feedback.
- The Higg FEM 4.0 assessment was fine-tuned to meet platform requirements and also meet changing industry requirements for more granular supply chain primary data.
- The Pilot Platform was built for Members and Non-Members to test the FEM 4.0
- In August 2023, the [How to Higg Guide v1](#) was released to all industry stakeholders
- Worldly and the SAC is currently gathering feedback and suggestions to incorporate necessary changes on the platform for November's release.

Who were some of the stakeholders involved in the update and what were their roles?

- The SAC Internal Expert FEM Team
 - Coordinated, guided, compiled and presented outputs
- Member Expert Teams (Brand & Retailers, Manufacturers, Affiliate SAC Members)
 - Provided industry knowhow and expertise
 - Provided feedback and expert discussions on each question and topic
 - Pulse check for the rest of the membership and FEM user base
- Consultants (ex: Sumerra)
 - Review and update feedback on verifiability of questions and technical industry experience for validity of updates
 - Develop and finetune questions based on MET feedback
 - Develop the How to Higg Guide based on question intent
- Worldly
 - Provide guidance on the FEM platform
 - Work together to market and present the FEM 4.0 benefits to members and users

When will analytics and benchmarking be available for Higg FEM 4.0?

- Benchmarking and analytics for Higg FEM 4.0 will be available in 2024.

Can I use Higg FEM 3.0 to support my 2023 reporting requirements?

- The Higg FEM 4.0 has been updated to help businesses collect the most relevant data on key environmental areas. This update ensures our industry continues to build an accurate understanding of the supply chain. In order to consistently measure our industry's performance, all users will complete their 2023 reporting requirements using the Higg FEM 4.0. Higg FEM 3.0 will not be available to purchase for the 2023/24 cadence.
- By utilizing Higg FEM 4.0 as their primary source for supplier data, businesses will reduce the risk of operating based on out of date information.
- More and more private and publicly listed brands are being required to meet reporting and regulatory requirements. To meet these requirements, they have duties to report accurate and current data.

When did the SAC start alerting users of the Higg FEM 4.0 changes, and what resources were prepared?

- In 2022, the SAC underwent a comprehensive member review process to finalize all Higg FEM 4.0 content and feedback. In December 2022, the SAC drafted and published the [FEM 4.0 technical paper](#).
- In 2023, the SAC has worked to provide various training materials and resources to all users, including [introductory training webinars](#), in person training events, the updated [How to Higg Guide](#), and more. The SAC has incorporated additional member feedback for more training materials in local languages, and is working to get these resources off the ground.