



# The Responsible Brand's Guide to Maximizing Supplier Engagement

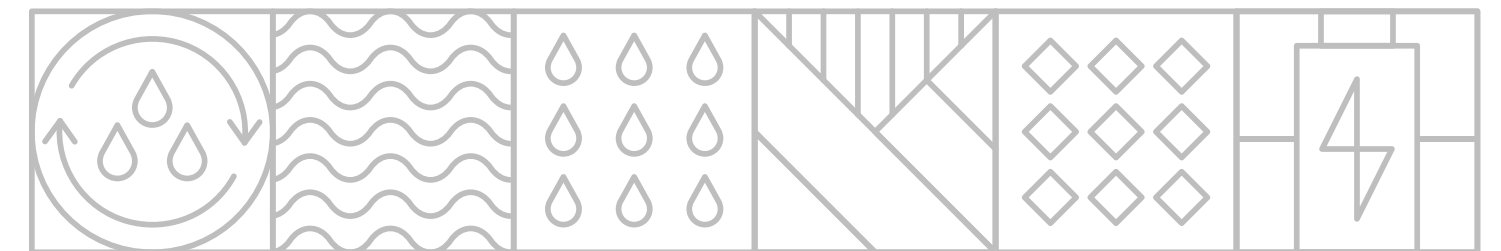
*Top Techniques to Successfully Scale Social and Environmental Assessment Programs and Reduce Hidden Risk in Your Supply Chain.*

**worldly**<sup>™</sup>

# Supplier engagement matters now more than ever.

Brands and retailers are the final and most visible links of the supply chain before goods get into consumers' hands, which gives these businesses significant power and influence over how their products are made. Those with the desire to understand and improve their sustainability practices have a responsibility to collaborate with and support their suppliers. To achieve this, brands need clear visibility into supplier sustainability performance to drive collaboration and action.

**To hit sustainability targets, ensure compliance, and reduce risk, brands must understand their goals for Higg Index data collection, align with internal stakeholders to determine vendor and facility priority, define module completion requirements, and assign engagement roles and responsibilities. With all of this in mind, they must also engage suppliers in conversations grounded in real data.**



Many brands begin collecting supplier data only to realize that scaling engagement across their supply chain is a major challenge. In this guide, we'll cover five essential best practices for facility engagement that every responsible brand should follow. Regardless of where you are in working with your suppliers, **these best practices can help your brand build and strengthen supplier partnerships to understand your impact, reduce risk, and achieve your shared sustainability goals.**



“ ”

Suppliers are willing to work with you as long as they know you're doing something with the data that comes out of it, particularly if you're using it for things like scorecards, tracking progress, or giving access to other programs as well.

**Cerian Atwell**

*Sustainability Lead, Marks & Spencer*

## 5 essential best practices for facility engagement.

*Our brand customers that use Worldly's Impact services, which reflect the best practices described in this guide, see an average facility assessment adoption rate of 74 percent.*

*And 25 percent of Worldly customers that use Worldly's Impact services achieve greater than 80 percent Higg FEM adoption rates.*



# 1 Develop comprehensive facility lists, with key contact segments.

It's not enough to just have a list of every facility your brand works with. The quality of this list and the timeliness of the data it includes will be pivotal to your success in engaging your facilities in sustainability initiatives such as completing the Higg Facility Environmental Module (FEM) and the Higg Facility Social & Labor Module (FSLM), the social and environmental assessments for manufacturing facilities, which are developed by Cascale, the global non-profit alliance

## When creating and maintaining your facility list, consider the following questions:

### Is your facility list built strategically?

It's essential to approach this process thoughtfully, ensuring you engage with facilities at optimal times aligned with your specific goals and objectives, to maximize the effectiveness of your outreach.

### How is your list segmented?

People respond best to targeted and customized communications. With better segmentation you can customize your messages by geography, supplier tier, facility type, language, business volume, and other factors that lead to better response rates and engagement. Segmentation allows for better allocation of resources, such as region-specific training and tailored supplier support.

Most importantly, remember that curating your facility list isn't a one-time exercise. We recommend revisiting your list on a regular basis to confirm you're still doing business with each facility, that your point of contact is still correct, and that inclusion of the facility still aligns with your strategy.

The specific cadence depends on your sourcing and design cycle, and many brands find that a monthly review is ideal. As engagement with your suppliers deepens, your outreach will also expand as you add new facilities to your list.

*If managing your facility list sounds daunting, remember, Worldly is here to help.*



### Brand Spotlight:

## European retailer achieves 100 percent compliance in year one.

A European fashion, home, and beauty retailer took a strategic approach to list building and segmentation when it expanded sustainability assessments beyond apparel facilities. It strategically selected a small list of suppliers in categories adjacent to apparel, and asked them to complete and verify a Higg FEM assessment.

The retailer's facilities achieved 100 percent compliance in its first year. This success encouraged and inspired the company to expand its verification requirements to a larger list of suppliers in the second year, when it also achieved notable levels of compliance. With the learnings from its first two years of requiring data verification, The retailer has expanded the requirement even further across its supplier list and is focusing on providing additional support through webinars and e-learning to encourage larger-scale adoption.

## 2 Establish realistic timelines

Establishing manageable timelines with realistic deadlines and achievable milestones is vital to your suppliers' willingness and ability to engage with your requests for social and environmental assessments.

The most successful brands also use this opportunity to **encourage two-way conversations** with their facilities throughout the process. Setting realistic timelines can open the door for deeper conversations and the opportunity to build rapport, including allowing facilities the chance to communicate what they would recommend based on their expertise. Don't forget that your facilities are often working on sustainability themselves and have a valuable perspective to share.

Early engagement leads to higher assessment completion rates. With an assessment like the Higg FEM that occurs on an annual cycle, brands should aspire to start engaging facilities **six months** ahead of the completion deadline. The earlier you connect with your suppliers, the better you can provide them with support and resources to maximize engagement.

Next, set clear and **realistic yet motivating deadlines** for your facilities to complete the assessments. Set deadlines that balance business operations with a sense of urgency.

When communicating these deadlines to your facility partners, it's helpful to **create progressive milestones** that celebrate small achievements as they build towards the larger goal of sharing the completed assessment with you. Breaking things down into smaller actions with incremental deadlines can help reduce anxiety for facilities who may feel overwhelmed at the thought of completing an assessment all at once. During this process, help them understand why you're asking for the data and how you plan to use it in collaboration with them.

### Example milestones

| Action Item                                               | Deadline                                                                                     |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Create a Worldly account                                  |  Nov 30 |
| Purchase a Standard Facility Subscription                 |  Dec 31 |
| Complete, post & share FEM self-assessment with customers |  Mar 31 |
| Complete & post verification                              |  Apr 30 |



Brand Spotlight:

### Luxury brand succeeds by starting early.

A German luxury fashion brand achieved exceptional results by launching its Higg FEM program early with a kick-off in mid-November, shortly after the annual cadence opened, and communicating clear expectations throughout the process. It laid out multiple milestones, including an account creation deadline, a purchase deadline, an early completion deadline, and a verification deadline. These incremental milestones with attached deadlines have been successful because they provide clarity and support the facilities with clear targets to ensure they don't fall behind or run out of time.

They also allow for a communication strategy that enables the brand to engage meaningfully with its suppliers with reminders to support meeting deadlines and escalating language that encourages compliance in response to missed deadlines.



It's also important to **provide a roadmap** for your facilities that shows them what comes next. If you're setting smaller milestones along the way, it's very helpful to lay out what the entire journey looks like rather than keeping the next step hidden from view. Brands with the best adoption also think beyond a single year assessment cycle and build a long-term roadmap to share their vision and build year-over-year commitment with their suppliers.

*Establishing clear timelines and ongoing milestones are vital parts of supplier engagement. Getting started early is ideal but it's never too late to get help from Worldly. Regardless of where you are in your assessment cadence, Worldly can help you achieve optimal results with a dedicated customer success manager who will work with your team and your suppliers to set expectations and encourage follow through.*



### **3 Train your internal stakeholders.**

The most successful brands embed the importance of sustainability throughout their entire business. Educate and train your internal stakeholders as well as your business partners and vendors on the importance of aligning with your sustainability strategy. These stakeholders include your buyers and sales team, vendors, sourcing agents, and regional business units that have direct relationships with your facilities. They can help facilitate conversations with your manufacturing partners about the importance of completing social and environmental assessments and answer questions the facilities may have.

Wondering how to engage your internal teams? Worldly offers educational and support resources, including stakeholder communication templates, to educate your own internal stakeholders so they can better engage facilities themselves.

When it comes to training and enabling your internal stakeholders to be the best ambassadors they can be for your brand's sustainability efforts, you'll want to make sure to:

-  **Emphasize a multi-touch approach:** Your internal teams should understand the importance of the brand sending communication from different points of contact and be on board with playing a role in these efforts.
-  **Assist your internal stakeholders** by providing templates they can use when they communicate with facilities, and include links to Worldly's educational and support resources.
-  **Tailor your communication to relevant stakeholders to increase their buy-in.** This includes having frank conversations around why this data is important and how collecting it benefits them, the wider organization, and the suppliers.
-  **Explain what data will be collected and how it will be used** so your internal teammates are equipped to answer questions facilities may ask them.
-  **Clarify to stakeholders whether Higg Index assessment completion is mandatory** for your facilities, and if so, provide them critical deadlines and consequences for non-compliance. This allows each contact point in your multi-prong communication approach to reinforce the overarching message.



*Training your internal stakeholders can be a heavy lift for sustainability teams to take on. Let Worldly help with custom implementation and adoption services that include ongoing webinars and training for each role across your organization.*



Brand Spotlight:

## At M&S, Achieving Net-Zero Emissions Is an Organization-Wide Goal.

For clothing, beauty, and home goods retailer Marks & Spencer, achieving net-zero emissions is an organization-wide goal. The sustainability team engages a lot of its stakeholders within the business to gain wider cross-functional interest in environmental impact projects. It leads quarterly webinars and also works very closely with colleagues across the production, technology, raw materials, and sourcing teams.

As part of its ongoing internal engagement program, M&S hosts an annual in-person meeting focused on sustainability where teams across the organization's various sectors including food and logistics share updates on key projects and initiatives. These meetings help spark ideas for other teams about how to better engage with suppliers in their own sectors.

## 4 Level up your facility communication methods.

Communicating to facilities early and often, and from a variety of stakeholders within your organization, is an instrumental best practice. But to get the most out of those engagements, it's essential to communicate clearly.



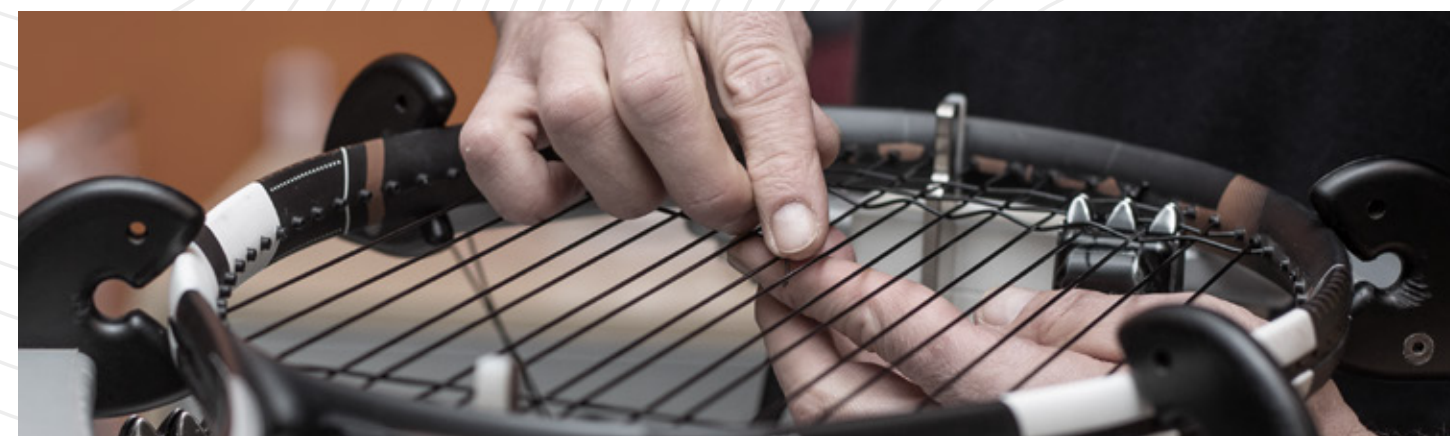
### Transparency is key:

First and foremost, prioritize transparent communication with your suppliers. Each brand should be working with its manufacturing partners to achieve not just its own goals, but goals set across the entire industry or by their country or region. Having honest conversations with your suppliers about why it's critical to meet these goals and keeping that transparent line of communication open throughout the process, are foundational to successfully engaging your supply chain.



### Send communications in your facilities' native languages:

Don't let your important message get lost in translation. Make it as easy as possible for your facilities to understand what you're asking of them by localizing each piece of communication. Sometimes this means going beyond merely translating text and involves considering cultural contexts and styles of communication.



### Use the Worldly Adoption Tool for its powerful and dynamic capabilities:

Every Worldly brand customer has access to the Adoption Tool included as part of their subscription. Whether you're working with suppliers to complete their Higg FSLM, Higg FEM, or Facility Data Manager (FDM) for monthly data gathering, Worldly provides resources to help you engage facilities and organize their data. The Adoption Tool is particularly powerful because of its ability to identify facilities already on the platform with their brand customers, growing a brand's supplier list over time. The Adoption Tool also enables the automation of direct facility communications, including timely emails to facility users tailored to where they are in the process. This helps reduce a brand's day-to-day operational burden on facility follow-ups.

**Create targeted resources for different facility types, sizes, and locations:**

Remember one size doesn't fit all. Not all suppliers are at the same stage of their sustainability journey, especially as brands expand their assessment requirements deeper into their supply chain, or into non-apparel categories. When communicating with your facilities, offering different levels of support based on their unique needs will help you get what you want from each business partner. For example, newer facilities need foundational materials on the benefits of completing their assessment, while returning ones need a greater focus on incremental improvements.



**Take advantage of Worldly's large variety of support tools and resources:**

Whether you're taking advantage of the Adoption Tool or investing in a higher level of service with Worldly to have a customer success manager dedicated to your account and engaging with your suppliers, there are plenty of management and educational resources to explore.

*Communicating the right message to the right people at the right time can be a challenge for brands, whether they're just starting out with environmental and social assessments or looking to improve results year over year. Let Worldly help with adoption services and a dedicated customer success manager.*



**Offer facilities support through multiple communication channels:**

Your facilities may be across town or across the globe, so make it as easy as possible for them to ask questions and get help on their own schedule as they work towards completing their assessments. Some of the best options for support and communication include email, live web chat, live webinars, and monthly newsletters. Ultimately, providing both live and synchronous and asynchronous support options will mean your facilities can choose how they prefer to get involved, which yields higher engagement!



**Communicate the consequences of non-compliance:**

Don't neglect to communicate and remind your facility partners that completing their Higg Index assessments is a requirement.



Brand Spotlight:

**Dunelm achieves exceptional results its first year, with Worldly's Adoption Services.**

UK-based home furnishings retailer Dunelm achieved impressive Higg FEM completion rates in its first year introducing the assessment to its suppliers.

The sustainability team found that involving its commercial teams in sustainability conversations with suppliers was key to success. It also kicked off engagement efforts with an initial educational webinar covering goals, requirements, and timelines, and following up with one-on-one sessions with each key supplier to go deeper into their specific situation.

Dunelm also provided its suppliers with a clear roadmap for what they should be doing, when, and what the next step would be. As a result, it saw 85% of its Tier 1 facilities completing the Higg FEM and nearly 90 percent of key Tier 1s validating their data.

“ ”

We found that involving our sales teams in sustainability conversations with suppliers was key to our success. It helped our supplier partners understand that sustainability is central to our business strategy and a key part of working with Dunelm.

**Lisa Ly,**  
*Senior Sustainability Manager  
Dunelm*



## 5 Set up strategic performance improvement programs.

Selling more sustainable products truly is a journey that continues year after year. It starts with your facilities completing their social and environmental assessments, verifying their data, and having conversations with you about areas for improvement.

Because of sustainability's ongoing nature, strategic follow-up processes with facilities are just as important to your success as the initial engagement.

**The most successful brands include each of the following components in their followup-process:**

**Create a specific strategy and timeline** for how you'll follow up with facilities, both during and after the assessment phase. This might include prioritizing key Tier 1 and Tier 2 facilities for more frequent follow-up conversations, or focusing on non-responsive or lagging facilities more than others. Don't forget to communicate your timeline and expectations for your follow-up process as part of your larger transparent communication strategy.

**Use data to identify engagement gaps and specific difficulties**, then address them. As you begin to review your facilities' social and environmental assessment results, you may notice patterns. If there are specific questions, sections, or types of data that facilities are struggling to report, you can use these insights to focus conversations and future training where they need it most.

**Create and communicate escalation protocols for non-responsive facilities.** Don't wait until you're in the position of having a non-responsive facility to decide how to move forward. The most successful brands define and communicate to their facilities the consequences of being unresponsive well in advance of their assessment completion deadlines. It's also important to remember that open lines of communication with your facilities may help surface challenges early so you can help address them, instead of ending up with a surprising non-responsive facility as the deadline approaches.

**Create and communicate recognition programs for high performers.** You can bolster your brand's sustainability success by incentivizing and recognizing facilities that complete their assessments ahead of schedule, or do a particularly thorough and admirable job. By defining which aspects of your sustainability program are most critical for your facilities to achieve—whether that's participation, data validation, or progress in a particular area—you can recognize and reward the facilities that do particularly well.

**Incorporate Higg Index assessment adoption into supplier scorecards** to encourage increased accountability across supply chain stakeholders. One common piece of feedback brands get from suppliers is that their use of the Higg Index can feel disconnected from other brand priorities, like lower pricing for products. If your facilities are ultimately being vetted based on how low they can offer you products, delivery timelines, and other criteria not connected to social and environmental well-being, it is very difficult for them to prioritize completing their sustainability assessments and see value in the request. Brands can solve this by making sure Higg Index assessment completion and social and environmental responsibility are factored into the way a brand evaluates its vendors' performance and value.



*Measuring supplier performance year over year is critical to achieving results and incremental improvements. If establishing and executing this type of measurement program on your own feels challenging, Worldly can help.*



**A European Worldly Impact Customer worked alongside the Worldly team** to review its previous year's assessment results and identify areas and data points that facilities often struggled to complete.

Armed with those insights, the retailer's customer success manager created targeted training tools to use at the next year's Higg FEM kickoff. Using past data to inform future training helped the retailer empower its suppliers to complete their Higg FEM even better in subsequent years.

# Measuring success in your facility engagement practices.

After implementing these best practices to engage your suppliers, it's critical to measure your results, both to celebrate your successes and track improvement over time. The most successful brands incorporate the following practices into their sustainability strategies.

## 1. Track key metrics

Brands that work with Worldly gain access to an abundance of data related to their suppliers' environmental impacts. Before you get to that point, however, it is important to track how your engagement efforts are going. Supplier engagement is a prerequisite to impact when dealing with social and environmental assessments.

## 2. Set reasonable expectations based on facility type

Facilities differ based on their size, location, local laws and regulations, their tier in the supply chain, the products they manufacture, and many other factors. It does not make sense to create an umbrella set of expectations every facility must meet. Look closely at what success looks like for each facility type, size, and location to empower your suppliers to achieve realistic goals and so you can motivate them to improve year over year.

### Key metrics

to help determine your supplier engagement's current state and progress over time include:

Percentage of suppliers that create a Worldly Platform account.

Percentage of suppliers that complete their self assessment.

Percentage of suppliers that complete data verification.

“ ”

You can't give the same target to everyone. If you take two suppliers, one in China, one in Bangladesh, giving them the same target isn't equitable because there are specific issues in these different countries—for example, one whose power grid is set up for renewable energy generation systems and net metering, and one that's not. This impacts what they can truly change.

**Dr. Thiwanka De Fonseka,**  
*Director of Sustainability at Komar Brands*



### 3. Aim for progressive improvement

The most successful social and environmental assessment initiatives take a long-term and progressive approach to their vendors' performance. You might aim simply for a high level of participation in your first year, with a goal of 100 percent participation the next, followed by improvements in key areas like carbon and water reduction, or improvements in worker well-being and professional development programs over time.

### 4. Recognize and reward facilities for their achievements

Completing a Higg Index assessment requires facilities to commit to measurement and to prioritize this work. While many facilities participate because they have their own sustainability goals, because of regulatory requirements, or because their business relationship with their brand customers depends on it, it's never a bad idea to recognize and reward the type of engagement you want from your vendors.

### Top performing facilities

**Some common ways to recognize top performing facilities include:**

Better payment terms.

Establishing larger orders.

Committing to longer term partnerships.



Brand Spotlight:

### Marks & Spencer demonstrates how starting small achieves big results over time.

Clothing, beauty, and home goods retailer Marks & Spencer originally piloted the Higg FEM in 2018, and has since expanded its program to encompass over 90 percent of its Tier 1 suppliers and more than 500 Tier 2 suppliers.

M&S serves as a prime example of a brand that has successfully tracked and improved its supplier engagement over time by using many of the methods outlined in this guide.

To ensure effective implementation as it expands further into its supply chain, M&S offers both in-person and online training to all participating suppliers; collaborates with strategic suppliers to implement best practices in environmental management systems at the facility level; and focuses on six key impact areas rather than hundreds of metrics.

M&S also leverages data from its suppliers' Higg FEMs to identify areas for improvement, and then supports suppliers in making measurable progress.

# Your brand's sustainability impact hinges on supplier engagement.

The most socially and environmentally sustainable brands have one thing in common: They successfully engage their supply chain partners in assessments like the Higg FEM and Higg FSLM and drive continuous improvement in their facilities' participation and scores.

## They do this by:

- ✳️ Developing comprehensive facility lists, with key contact segments
- 📍 Establishing realistic timelines
- 🏠 Training their internal stakeholders
- 💬 Leveling up their facility communication methods
- ⚙️ Implementing strategic follow-up processes

By following the tips in this guide, taking advantage of the Worldly Adoption Tool, and participating in regularly scheduled

brand workshops with Worldly's engagement experts, which all customers have access to, it is entirely possible to achieve optimal results at your organization.

However, not all teams have the ability to execute on these best practices on their own. If you want to achieve the highest possible facility engagement without multiple dedicated staff, or taking on work beyond your team's regular scope, Worldly can help.

With three tiers of service and additional options, you can choose how much support you'd like. From platform access to automated supplier engagement solutions to a dedicated customer success manager — we can work with you to help you meet your goals.



“ ”

Quantitative data is not the endpoint of the sustainability journey. It's about the relationship with our business partners. The point of the quantitative data is to have better qualitative conversations with suppliers.

**Susan Scow,**  
*Sustainability Impact Specialist*  
*Eileen Fisher*

## Facility Engagement Quick Start Guide

Take the next step toward stronger supplier engagement today. Get started with the Adoption Tool to access facility adoption resources available to all Worldly brand customers.

- ☑ Missed our [webinar](#)?
- ☑ Want to [learn more about the adoption tool](#)?
- ☑ Want to [setup your facilities](#) on the Worldly platform?
- ☑ Want to [kickstart your facility engagement](#)?
- ☑ Want to [learn more about Worldly services](#)?



Worldly is the planet's leading sustainability data insights platform, trusted by 40,000+ major brands, retailers, and manufacturers in fashion, outdoor, home goods, toys, and more. Worldly uniquely collects high-resolution primary data specific to companies' value chains, operations, and products, providing insight into true impacts across carbon, water, chemistry, and labor. Featuring the most comprehensive source of ESG data for global manufacturers and the largest library of materials and product impacts, Worldly empowers businesses to scale responsibility into their global operations, faster and more accurately. Hosting, connecting with, and supporting the leading industry solutions and methodologies including ZDHC, Bluesign, and the Higg Index — developed and owned by the global nonprofit alliance Cascale — Worldly delivers the insights businesses need to reduce their impact, comply with emerging regulatory and financial disclosure requirements, and meet the expectations of a new generation of customers.

**worldly.io**