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01
Introduction
The Higg Index Communications Guidelines outline how Higg Index users may communicate Higg Index performance.

The Sustainable Apparel Coalition (SAC) strongly supports efforts by its members to promote the Higg Index as the leading global standard for sustainability reporting in the apparel, footwear, and textile industry.

One of the SAC’s key goals is that consumers will choose products based on transparent, trusted, and verified sustainability information. By promoting your company’s involvement with the SAC and use of the Higg Index, you help to make this vision a reality by accelerating awareness of the industry’s collective efforts to use a standardized language to communicate sustainability impacts and drive lasting improvements.

This manual provides guidance on:

- How to share your company’s commitment to sustainability through its use of the Higg Index
- What kinds of information can be shared publicly, through various communications and marketing channels
- Who you can share this information with
- Why some information can not be shared
02
Higg Facility Environmental Module Communication Guidelines
Communicating Higg Facility Environmental Module Performance Publicly

Congratulations on completing the Higg Facility Environmental Module (Higg FEM)! If you completed third-party on-site verification of your Higg FEM assessment and posted your verified module on Higg.org, you may communicate your Higg FEM performance as outlined in this guide and in accordance with the Higg Index terms of use. Use the materials in the Higg FEM Beta Communication Toolkit to communicate your Higg FEM score and demonstrate your progress and leadership in environmental sustainability. Through voluntary disclosure of your Higg FEM performance, share your sustainability efforts with external business partners and show your commitment to value chain transparency.

Beta Toolkit

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

The Higg FEM toolkit includes:

1. Performance Report
2. Badge
3. Impact Scorecard
4. Business Card
5. Icons

Audience & Approach

The communication toolkit is intended to help you communicate about your Higg FEM performance with your external business stakeholders, including: buyers, media, non-governmental organizations, investors, and governmental organizations. It features a layered approach — when used in conjunction with one another, the materials feature increasingly detailed information. You can also feature the communication tools in your internal communications, including company presentations, newsletters, and signs.
1. Performance Report

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

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

Suggested channels to publish the Higg FEM performance report:

- Company website
- Corporate Social Responsibility Report
- Make available per request by e-mail

Example sentences to include with the Higg FEM performance report on a website or corporate social responsibility report (CSR):

- In 2018, our facility reduced its energy use by X%.
- Our facility improved its water management system by recycling X gallons of water in 2018.
- Our facility is prioritizing reducing greenhouse gas emissions. We used Higg FEM to measure our emissions in 2018.

Example: Performance
2. Badges

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

**Suggested channels to publish the badge:**

- Company website
- Social media: eg. Twitter, Instagram, Facebook, LinkedIn, other channels of your choice
- CSR Reports
- Presentations and slide decks
- Marketing materials

**DO**

Publish your badge on LinkedIn, Instagram, and Facebook and provide the link to your performance report (see example).

Publish your badge on a banner used during a presentation or trade fair.

**DON’T**

Do not publish the badge without providing a link or access to the...
3. Impact Scorecard

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

Suggested channels to publish the Higg FEM impact scorecard:

- Company website
- Social media: eg. Twitter, Instagram, Facebook, LinkedIn, other channels of your choice
- CSR reports
- Presentations and slide decks
- Marketing materials

Example sentences to feature with the Higg FEM impact scorecard:

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

4. Business Card

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

DO

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

DON’T

Do not publish your business card online. It is a double sided tool.
Brands & Retailers
Communicating About Higg FEM

Facilities own their Higg FEM information and are provided with a communication toolkit. Brands and retailers that want to communicate their suppliers’ Higg FEM scores can only do so under the following conditions:

- **Consent of their suppliers:** Brands and retailers may invite (but not require) supply chain partners to share elements of the communication toolkit with them via email.

- **Channels & Audience:** After a supplier confirms that you can use the communication toolkit, a brand or retailer can use the score in their B2B public communications. Examples of suitable channels are CSR report or a supplier map. The audience for this communication is B2B as the information indicates how facilities measure and evaluate their environmental performance. Communication of this score in relation to a product is prohibited to prevent misinterpretation of the score as a ‘product sustainability indicator’. A score may only be communicated in relation to the specific facility in question. Contact SAC to learn more about their on-product communications work.

- **Layered approach:** As referenced in these guidelines, it is mandatory to follow the layered approach. Just like facilities, brands and retailers cannot

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5. Icons

You can feature the icons included in the toolkit on your website and CSR report. Only use them with the names provided and in relationship with the Higg FEM. When you use these icons, as with any icons provided by the SAC, we will create a common language, which will help our journey to a sustainable garment sector.
Communicating Accomplishments & Future Targets

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

You can use this as an opportunity to share more information about your sustainability story. For example, elaborating about your efforts to reduce certain impacts. Sharing your company’s approach, helps contextualise your Higg FEM performance and is important to support external stakeholders’ understanding. When describing your accomplishments and future targets, it is important to be clear on how you took and plan to take the right steps to improve as illustrated below.

<table>
<thead>
<tr>
<th>IMPACT AREA</th>
<th>2018 POINTS</th>
<th>2019 POINTS</th>
<th>LEVEL</th>
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</thead>
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<td>Emissions to Air</td>
<td>+20</td>
<td>+10</td>
<td>Intermediate</td>
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<tr>
<td>Energy Use &amp; Greenhouse Gas Emissions</td>
<td>5</td>
<td>5</td>
<td>Beginner</td>
</tr>
<tr>
<td>Water Use</td>
<td>+5</td>
<td>+5</td>
<td>Advanced</td>
</tr>
<tr>
<td>Waste Water</td>
<td>+10</td>
<td>+10</td>
<td>Advanced</td>
</tr>
<tr>
<td>Waste</td>
<td>-5</td>
<td>-5</td>
<td>Advanced</td>
</tr>
<tr>
<td>Environmental Management Systems</td>
<td>+10</td>
<td></td>
<td>Leader</td>
</tr>
<tr>
<td>Chemical Management</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Example: two-year Higg FEM comparison

Accomplishments

- Describe your improvement (points & level).
- Describe where you started in the previous year.
- Describe which policies, systems, and methods you used to make improvements in each assessment area.
- Describe how you plan to keep improving.

Future Targets and Goals

- Describe how you are addressing areas that may need improvement.
- Outline why certain areas are not yet a priority and when you will prioritize them.
- Describe the steps you will take to improve.

Example

Accomplishments

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

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

Example

Future Target and Goals

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

In the first year (2020), we will focus on setting the baseline of our facility’s energy use. Currently, we track all our sources of energy and GHG emissions
03
Higg Materials Sustainability Index Communication Guidelines
Higg Materials Sustainability Index

The Higg Materials Sustainability Index (Higg MSI) is the leading materials sustainability tool for the apparel, footwear, and textiles industry. It empowers brands, retailers, and manufacturers to select more sustainable materials in the products they design and manufacture.

Part of the Sustainable Apparel Coalition’s Higg Index, the Higg MSI calculates the impact of millions of possible material manufacturing variations.

The Value of Communicating Higg MSI Performance

- Transparently communicate the environmental impact of your company’s materials to attract new customers, demonstrate your leadership in the industry, and prove to external audiences that you are tracking toward your sustainability goals
- Show consumers and business partners you are committed to sustainability
- Bring stakeholders on your sustainability journey

Suggested Channels

- Product pages
- Company website
- Intranet
- Social media
- Press opportunities
- Speaking engagements
- CSR Reports

Suggested Audiences

- Employees
- Consumers
- NGOs
- Executives
- Board of Directors
- Business partners
Steps to Communicating your Higg MSI Performance

Follow these four steps to communicate Higg MSI performance to internal and external audiences:

1. Select whether you'll communicate about a raw material or process, an example material, or a custom material.
2. Determine the claim you want to make and confirm that it meets these guidelines.
3. Include an attribution statement with your custom material claim.
4. Publish your claim.

Higg MSI Environmental Impacts

Using life-cycle assessment data, the Higg MSI assesses five environmental impacts of different materials and manufacturing processes. Use Higg MSI data to communicate how the materials your company uses perform in these areas.

The Higg MSI provides life-cycle impact assessment (LCIA) data for all listed material and manufacturing processes for licensed Higg MSI users. This includes data for the following impacts:

- Global Warming Potential
- Nutrient Pollution in Water (Eutrophication)
- Water Scarcity
- Fossil Fuel Depletion
- Chemistry

These impacts are translated into publicly available points.

You don’t need to communicate all impact areas at once. For example, you can just communicate global warming potential without having to include the other four impact areas.
Higg MSI Categories: Raw Materials and Processes, Example Materials, and Custom Materials

The Higg MSI assesses three overarching materials categories: raw materials and processes, example materials, and custom materials.

<table>
<thead>
<tr>
<th>Raw Materials and Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Higg MSI includes hundreds of raw material and production process options. Users can combine these options in millions of ways to create a unique finished material. Raw material examples include organic cotton and recycled polyester (PET). Examples of production processes include spinning, knitting, batch dyeing, and waterproofing. Switching to a more sustainable option can significantly reduce a material’s environmental impact.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Example Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Higg MSI features more than 80 example materials. These examples represent materials commonly used in the industry. Example materials include: finished cotton, leather, polyester, nylon, jute, silk, and metals that are ready to be assembled into a product.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Custom Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies can use the Higg MSI to assess the environmental impact of their specific materials. Higg MSI users can customize how their companies produce materials and use Higg MSI data to help them make more sustainable products.</td>
</tr>
</tbody>
</table>
Higg MSI Claims and Attribution Statements

A **Higg MSI claim** is any B2B or B2C communication about Higg MSI performance. Each Higg MSI claim for custom materials must be accompanied by a Higg MSI attribution statement.

**Example Claims**

- *Example: Switching from conventional polyester to recycled polyester reduces our raw material GWP by 30%.*

- *Example: Switching from conventional polyester to recycled polyester reduces our finished material GWP by 10%.*

A **Higg MSI attribution statement** is a statement linked to a Higg MSI claim that supports that claim and must include the Higg MSI version number and URL.

**Example Attribution Statement**

- *Example: Based on Higg MSI 3.0 data at Higg.org. Percentage reductions pertain to the raw material phase.*
Rules to Communicate Higg MSI Performance

Environmental Claims

- Do not make general environmental claims like ‘green’ or ‘eco-friendly’ using the Higg MSI.
- Higg MSI claims should be clear and specific, referencing MSI scores and/or impacts in accordance with this communications guide.
- All Higg MSI scores and life-cycle impact assessment results can be communicated at the individual impact category level. Not all impacts need to be communicated together. For example, Global Warming Potential (kg CO\textsubscript{2}e) can be communicated on its own, without the additional four environmental impacts.
- All claims must be accompanied by the Higg MSI URL and Higg MSI version number. The version number is shown on the Higg MSI dashboard.
- Claims are valid for two data updates. Data updates typically occur every six months and are indicated by an increased decimal point in the Higg MSI Version number (eg. v3.0 to v3.1). The SAC will communicate planned updates by month (e.g. the next scheduled update in January 2021).
- The Higg MSI attribution statement may be separated from the claim (like in a social media post or store signage). In this case, a footnote indicator ([1], *, etc.) must link to the attribution statement. For example, a company may link a social media post to the ecommerce page where the Higg MSI attribution statement is featured.
- The Higg MSI may not be used for comparative assertions with or against data from other external datasets. If there is a desire to make a comparative assertion, the data should be submitted through the Higg MSI Contributor to become part of the Higg MSI.
- All Higg MSI claims for customized materials should follow the guidance for selecting appropriate processes as per the Higg MSI How to Higg Guide. This ensures consistency across all users and claims.
Raw Materials and Production Processes

Scores

Higg MSI scores for an individual production process may be communicated B2B and B2C. These scores can be found publicly at Higg.org.

Example: The Higg MSI Global Warming Potential score for bamboo fiber is 5.6.

Example: The Higg MSI Fossil Fuel Depletion score for conventional PET is 5.1; for mechanically recycled PET, it is 0.5.

Higg MSI Contributors may communicate their Higg MSI scores and LCIA results B2B and B2C. Submit inventory data to the Higg Product Tools so users can select your raw material or production process when assessing a material (Higg MSI) or product (Higg Product Module).

LCIA environmental impacts may be communicated B2B and B2C in absolute or relative differences between two processes.

Example: In 2018, our fiber footprint total CO$_2$e was 10,000 tons. We reduced this footprint by 30% in 2019 by switching to more recycled materials.

Aggregated impact data, like the example above, may be used to report public standards, such as Carbon Disclosure Program.
DON’T

- Do not communicate LCIA results of individual raw materials or processes.
- Do not communicate B2B or B2C any Higg MSI production process data modified by your company for internal scoring purposes.
- Do not use Higg MSI production process data to create a new scoring methodology that publicly reports modified life-cycle impact assessment information.

Sample Prohibited Statements – DO NOT USE

- According to the Higg MSI, the water scarcity associated with batch dyeing 1 kg of acetate fabric is 0.72 m³.
- Our dyeing processes were 5 kg CO₂e per kg material based on Higg MSI data and modified by using internal data.

LCIA Results

If your company has submitted data to the Higg MSI, it may communicate LCIA results for raw materials and production processes that it has submitted B2B & B2C.

Example: Lenzing may tell its customers the kg CO₂e and Higg MSI points associated with the production of Tencel™ as calculated in the Higg MSI.

Example Materials

Scores

Users may disclose example material impact category scores B2B and B2C. These scores can be found publicly available on Higg.org.
LCIA Results

Users may not publicly disclose any of the five Higg MSI LCIA results for example materials.

Example – with attribution statement assumed elsewhere
- The Higg MSI Global Warming Potential score for 1 kg of polyurethane foam is 4.82.

Sample Prohibited Statements – DO NOT USE
- The Global Warming Potential for 1 kg aluminum is 9.6 kg CO\textsubscript{2}e.

Custom Materials

Scores

Custom materials are not verified, therefore, you may only communicate Higg MSI scores for custom materials B2B. An attribution statement must disclose that custom materials are not verified.

Example custom material claim: B2B – The Higg MSI Eutrophication score for our recycled goose down is 0.7.

Example custom material attribution statement: B2B – These results were calculated using the Higg Materials Sustainability Index (Higg MSI at Higg.org) V3.0 developed by the Sustainable Apparel Coalition (SAC). They were calculated by [insert company name] and are not verified.
LCIA Results

You may communicate the LCIA results of a custom material B2B and B2C.

You may communicate the LCIA results of material changes that have occurred as a result of changing a process or raw material.

Sample Approved Statements

- The water scarcity impact for 1 kg of our recycled cotton fabric is 4.3 m³.
- The eutrophication for our spring 2020 material portfolio is 432 kg PO₄e.
- By switching from polyester to recycled polyester we have reduced CO₂e by 2.6 kg per kg fabric.

An attribution statement must disclose that custom materials are not verified.

Example Attribution statement for a custom material: “These results were calculated using the Higg Materials Sustainability Index (Higg MSI at msi.higg.org) V3.0 developed by the Sustainable Apparel Coalition (SAC). They were calculated by [insert company name] and are not verified.”

Sample Prohibited Statement - DO NOT USE

- B2C: The Higg MSI Water Scarcity score for our recycled polyester fabric is 25 (because custom materials are not verified).
04
Higg Product Module Communication Guidelines
Higg Product Module

The Higg Product Module (Higg PM) enables companies to assess a product’s cradle-to-gate impacts* and develop more sustainable products consistently across the industry. The tool shows how products in a given category compare to one another and what production stages and processes contribute the largest environmental impact.

The Value of Communicating Higg PM Performance

- Transparently communicate the environmental impact of your company’s products to attract new customers, demonstrate your leadership in the industry, and prove to external audiences that you are tracking towards your sustainability goals.
- Show consumers and business partners you are committed to sustainability.
- Bring stakeholders on your sustainability journey.

Suggested Channels

- Product pages
- Company website
- Social media
- Press inquiries
- CSR Reports

Suggested Audiences

- Employees
- Consumers
- NGOs
- Executives
- Board of Directors
- Business Partners

*The Higg PM will assess full life cycle cradle-to-grave impacts in 2021, including product care, end of use, and duration of service.
Higg PM Environmental Impacts

Using life cycle assessment data, the Higg PM assess five environmental impacts of a product’s life cycle. Use the Higg PM data to communicate how your company’s products perform in these areas.

The Higg PM Assesses:

- **Global Warming Potential (GWP)**
- **Nutrient Pollution in Water (Eutrophication)**
- **Water Scarcity**
- **Fossil Fuel Depletion**
- **Chemistry**

You don’t need to communicate all impact areas at once. For example, you can just communicate global warming potential without having to include the other four impact areas.
Higg PM: Assessing a Finished Product

The Higg PM leverages the Higg MSI directly for the material assessment.

In the Higg PM, users pull materials from the Higg MSI into a Bill of Materials (BOM). This means they enter the materials and amount of each material featured in a product, including packaging.

Example: Enter the amount of Rubber Outsole, an EVA Foam midsole, a cotton upper, and polyester laces in a pair of shoes.

Once the Bill of Materials is complete, users enter the finished goods processes that take place to turn those materials into a final product that is ready to be shipped.

Example: Die Cutting, Computer Stitching, Skiving, Heat Pressing, Lasting, Gluing, and Hole Punching

Once all materials and finished goods processes are entered, the user receives the product production footprint.
Higg PM Claims and Attribution Statements

A **Higg PM claim** is any B2B or B2C communication about Higg PM performance. Each Higg PM claim must be accompanied by a Higg PM attribution statement.

**Example Claims**

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

*Example: The Global Warming Potential for the production (cradle-to-gate) of our spring 2020 portfolio is 5,432 kg CO₂e.*

A **Higg PM attribution statement** is a statement linked to a Higg PM claim that supports the claim and must include the Higg PM version number and URL.

**Example Attribution Statement**

*Example: This information was calculated using the Higg Product Module 1.0 at Higg.org. They were calculated by [enter company name] and are not verified. They include cradle-to-gate impacts only.*
Rules to Communicate Higg PM Performance

- Do not make general claims like ‘green’ or ‘eco-friendly’ using the Higg PM.
- Claims should be clear and specific, referencing Higg PM impacts in accordance with this communications guide.
- All Higg PM Life Cycle Impact Assessment (LCIA) results (also known as midpoints) can be communicated at the individual impact category level. Not all impacts need to be communicated together. For example, Global Warming Potential (kg CO₂e) can be communicated on its own, without the remaining four environmental impacts.
- All claims must be accompanied by the Higg PM URL and Higg MSI/PM version number. The version number is shown on the Higg PM dashboard.
- Claims are valid for two data updates. Data updates typically occur every six months. SAC will communicate planned updates by month (e.g. next scheduled update in January 2021).
- The Higg PM attribution statement may be separated from the claim (like in a social media post or store signage). In this case, a footnote indicator ([1], *, etc.) must link to the attribution statement. For example, a company may link a social media post to the ecommerce page where the Higg PM attribution statement is featured.
- The Higg PM may not be used for comparative assertions with or against data from other external datasets.
Finished Goods Processes

Users may communicate Higg PM LCIA results in absolute or relative differences between two processes B2B and B2C.

Higg PM finished goods process data cannot be used to create a new product scoring methodology that publicly reports modified LCIA information. It must be used in conjunction with Higg PM assessment methodology. Product methodology that is modified for internal use and/or aggregate reporting (e.g. CDP) is permitted.

Higg MSI Contributors who submit data for a finished goods process can communicate the Higg PM LCIA results of that process B2B and B2C.

Example finished goods process claim: By switching from screen printing to digital printing we reduced our annual carbon footprint by 32 tons CO₂e.

Example production process attribution statement: Based on Higg PM 1.0 data at Higg.org. Percentage reductions pertain to product assembly.

Sample Prohibited Statement - DO NOT USE

- The GWP for digital printing one small t-shirt is 0.5 CO₂e. (Unless you submitted data for that digital printing process).
- Our stockfitting processes were 5 kg CO₂e per product based on Higg PM data and modified by using internal data.
Product Production Footprint

Users may communicate:

- LCIA results of a cradle-to-gate product B2B and B2C
- LCIA results of material or production changes that have occurred
- Aggregated LCIA results B2B and B2C

The attribution statement must include the source, Higg PM version number, and disclose that products are not verified and cover production impacts only.

Example 1 product claim: The cradle-to-gate GWP impact for the Star 10 T-Shirt is 9.6kg CO$_2$e.

Example 2 product claim: The GWP for the production (cradle-to-gate) of our spring 2020 portfolio is 5,432 kg CO$_2$e.

Example product attribution statement: These results were calculated using the Higg Product Module 1.0 (Higg PM 1.0 at Higg.org) developed by the Sustainable Apparel Coalition (SAC). They were calculated by [enter company name] and are not verified. They include cradle-to-gate impacts only.
# Higg Index Transparency Program

## On-product Performance Communication Guidelines

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Overview

The Sustainable Apparel Coalition

The Sustainable Apparel Coalition is the apparel, footwear, and textile industry’s leading alliance for sustainable production. The SAC develops the Higg Index, a suite of tools that standardizes value chain sustainability measurement for all industry participants.

The Higg Index

The Higg Index is a suite of tools for the standardized measurement of value chain sustainability. Developed collaboratively over the last decade by a coalition of brands, retailers, manufacturers, and other footwear, apparel and textile industry stakeholders through the Sustainable Apparel Coalition, the Higg Index enables accurate scoring and comparing of a company or product’s overall sustainability impact, across metrics such as greenhouse gas emissions, waste, water usage, and working conditions.

Higg

Higg is the sustainability insights platform for consumer goods industries, delivering software and services for measuring, managing, and sharing supply chain performance data. Built on a leading framework for sustainability measurement, Higg enables brands and manufacturers to publicly share their verified environmental impact data.
Introduction

Higg Index Transparency Program

Launching in May 2021, the Higg Index transparency program enables brands and retailers to provide information on a product’s environmental impact in a consistent and consumer-friendly way.

Developed by the Sustainable Apparel Coalition and technology partner Higg, the main components of the program are an impact scorecard (Higg Index Product Scorecard) and a product seal (Higg Index Materials seal). Across these consumer-facing elements, the program provides a unified way for brands, retailers, and manufacturers to share sustainability information on apparel and footwear, across impact categories such as water use, greenhouse gas emissions, and use of fossil fuels. The first phase of the transparency program focuses on the impact of a product’s materials on the environment and will expand to incorporate additional data including manufacturing and corporate responsibility over the next two years.

Built on a decade’s worth of tool development, consumer testing, and contributed environmental impact data, the launch of the Higg Index transparency program is a first step toward a single, unified approach for industry-wide transparency – in order to provide shoppers with unprecedented visibility into a product’s real impact.
Background

In 2020, SAC and participating brands led quantitative and qualitative consumer testing in order to inform the approach to on-product transparency.

At a high-level, the learnings were that:

- Consumers prefer a single overall product-level score or evaluation;
- A layered approach to progressive disclosure makes it easier for consumers to seek additional information when interested, without overwhelming them;
- While many customers could intuit that the Higg Index helped measure sustainability, more work was needed to clarify its role as an independent third-party.

These lessons directly shaped the approach for the initial launch of this program. The system is based on a progressive disclosure of sustainability information. Particular attention has been paid to consumer legibility of reductions in environmental impact, and specific guidance is provided on disclosing numerical performance in accessible language for consumers.

How to use this guide

The document has been created as a reference for communicating sustainability performance. Included are design guidelines, language requirements, and other reference material.

This document is intended as a consistent starting point for all companies publicly communicating performance. Guidance on methodology, verification, and data gathering is available separately.

These On-Product Performance Communication Guidelines (“OPT Communication Guidelines”) are incorporated by reference into the SAC Communication Guidelines. These OPT Communication Guidelines are not available for use by all users of the Higg platform. They are only applicable to participants of the Higg Index transparency program. Further, the Higg Index Materials seal may only be used after achievement levels are verified through an independent Verifier approved by a Verifier Body using the Verification Protocols and after execution of the Higg Index Transparency License reproduced below.
Terms & Definitions

**Achievement Level:** The threshold of impact reductions within the impact category. For example, Materials Achievement Level; this is the product’s aggregated material footprint relative to conventional alternatives, as defined by the Methodology. There are three Material achievement levels based on threshold values of 12.5%, 25%, and 50% impact reduction. Products that don’t meet the minimum threshold value of 12.5% are considered conventional products.

**Catalog Page:** A list or grid, typically including images and brief descriptions of a collection of products.

**Conventional Product:** A product that does not qualify for an achievement level. Brands may still transparently communicate on the environmental impact of conventional products, but may not use the Higg Index Materials seal on these products.

**Higg Index Product Scorecard:** A consistent scorecard for sharing performance with consumers. Brands will be able to create profiles for specific products, which include verified sustainability claims with related impact data, including:

- A text description of the product achievement level and an accompanying graphic comparing that performance to a conventional baseline.
- Additional performance data within specific impact categories, such as carbon and water use.

A profile may be included on a brand or retailer’s product display page, and will also be hosted on a public-facing section of the Higg Sustainability Profiles platform.

**Higg Index Materials seal:** Using the same data available through Sustainability Profiles, the Higg Index Materials seal provides shoppers with an at-a-glance way of identifying products with reduced environmental impact. Can be used by brands to recognize products that achieve verified minimum thresholds of performance improvement, compared to conventional materials.

**Impact Categories:** Impact categories are how results from life cycle assessment (LCA) are communicated. Each impact category groups different emissions into one effect on the environment. For example, the impact categories for the Material achievement align with those used in the Higg Product Tools and are: Global Warming, Fossil Fuels, Water Use, and Water Pollution.

**Material:** A discrete component of a product with a unique physical identity.

**Material manufacturing process:** The processing steps that raw materials undergo before becoming finished materials that can be used to create products (ex. Yarn spinning, textile dyeing).

**Product:** The overall unit that the claim is being applied to (typically a garment identified by a style number and a colorway.)

**Product Detail Page (PDP):** A web page on an eCommerce website that provides information on a specific product.

**Raw Material:** The content from which a material is made of (ex. Fiber composition).
Performance Communications Guidance

The following guidelines apply to any communication of a product’s materials performance, according to our materials evaluation.

Within this program, any communication about the products’ materials achievement must include, at a minimum:

- A way for the consumer to access the detailed profile page on the Higg Sustainability Profiles website. Ideally this would be a hyperlink directly to the detail page.
- If direct link is not feasible, then you must provide the profile ID and a link to the Higg Sustainability Profiles website where the consumer can search for details on the profile ID.

There are multiple approved ways of communicating performance:

- Regardless of level of materials achievement, a full Higg Index Product Scorecard can be used to share performance data.
- When a product meets a minimum materials achievement of Level 1 or above, the Higg Index Materials seal alone can be used to indicate improved performance over conventional alternatives.

Higg Index Materials seal

<table>
<thead>
<tr>
<th>Approved colors:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RGB:</strong> 7/83/109</td>
</tr>
<tr>
<td><strong>HEX:</strong> 07536D</td>
</tr>
<tr>
<td><strong>CMYK:</strong> 97/49/11/38</td>
</tr>
<tr>
<td><strong>Pantone:</strong> 2153 C</td>
</tr>
</tbody>
</table>
Materials seal usage in the context of a specific product

In the context of a specific product, the Materials seal can be used when the product qualifies for materials achievement of Level 1, 2, or 3.

The Higg Index Materials seal cannot be used for conventional products.

Whenever the Materials seal is used, there must also be a way for the consumer to access the supporting profile page on the Higg Sustainability Profiles website.

This can be done as a direct link to the Higg profile page, as a link to a PDP containing the Sustainability Profile, or as a tooltip or other interface that displays additional details about the claim and includes a link to the Higg profile page.

Illustrative usages of Materials seal on a catalog page

Seal or product card must link to either:
- Product Detail Page that includes a link to the Higg Profile Page
- Directly to the Higg Profile Page
It is also permissible to use the seal along with the provided text descriptions in circumstances where detailed product performance communication is not feasible.

**Short Text**

*Higg Index Materials* seal recognizes products made with lower environmental impact materials with supporting data provided to customers.

**Long Text**

*Higg Index Materials* seal recognizes products made with lower environmental impact materials, when compared to conventionally produced versions of the same materials. The production of these materials releases fewer greenhouse gases, uses less water, creates less water pollution, and requires fewer fossil fuels than conventional materials. Developed by the Sustainable Apparel Coalition, the Higg Index Materials seal promotes accountability and sustainable improvement, with supporting impact data on each product provided on the [Higg platform](https://www.higg.org).  

**Illustrative usage of Materials seal with short text**

![Higg Index Materials seal](image)

*Higg Index Materials* seal recognizes products made with lower environmental impact materials with supporting data provided to customers.

**Text must link to either:**

- Product Detail Page that includes a link to the Higg Profile Page
- Directly to the Higg Profile Page
Materials seal usage not in the context of a specific product

The only allowed usage of the seal outside of the context of a/the specific product(s) is for the purpose of explaining how customers can identify products with the seal and what it means. In this case either the short or the long version approved text must be included next to the seal.

Illustrative usage of Materials seal outside of a specific product context

Higg Index Materials seal recognizes products made with lower environmental impact materials with supporting data provided to customers.
Higg Index Product Scorecard

The primary communication vehicle of materials achievement is the Higg Index Product Scorecard, a consistent scorecard for sharing reductions in environmental impact with consumers.

Brands can create profiles for specific products, which include verified sustainability claims with related impact data, including:

- A text description of the product achievement level and an accompanying graphic comparing that performance to a conventional baseline.
- Additional performance data within specific impact categories, including global warming, fossil fuels, water use, and water pollution.

*Example full Higg Index Product Scorecard*
### Sustainability Profile

#### Materials

At least **12.5% reduction** in environmental impact

<table>
<thead>
<tr>
<th>Conventional</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>12.5%</td>
<td>25%</td>
<td>50%</td>
</tr>
</tbody>
</table>

#### Environmental Impact Details

This product’s materials show the following reductions in impact when compared to conventional versions of the same materials:

<table>
<thead>
<tr>
<th>Impact Category</th>
<th>Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Warming</td>
<td>14%</td>
</tr>
<tr>
<td>Fossil Fuels</td>
<td>9%</td>
</tr>
<tr>
<td>Water Use</td>
<td>88%</td>
</tr>
<tr>
<td>Water Pollution</td>
<td>47%</td>
</tr>
</tbody>
</table>

#### Materials Content

<table>
<thead>
<tr>
<th>This Product</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycled Nylon</td>
<td>Nylon</td>
</tr>
</tbody>
</table>

Higg Materials Sustainability Index v3.1

**Profile PIPY7EM7**

The first phase of this program focuses exclusively on data related to the environmental impact of a product’s materials. Additional phases of the program will expand to incorporate additional data including manufacturing and corporate responsibility.

**Illustrative usage of the Higg Index Product Scorecard on a PDP**
Specific terminology around level achievements is undergoing user testing and may be revised in the future. Within a Scorecard, the Higg Index Materials seal should be used to indicate materials achievement only of Level 1, 2, or 3 and may only be used after achievement levels are verified through an independent Verifier approved by a Verifier Body using the Verification Protocols and after execution of the Higg Index Transparency License reproduced below.

In the event that you elect to display a Higg Index Product Scorecard that does not meet the minimum achievement of Level 1 or above as outlined in these guidelines, SAC hereby grants you a non-exclusive, revocable, worldwide, royalty-free, sublicensable (through multiple tiers), and transferable license to share your Higg Index Product Scorecard without the inclusion of the Higg Index Materials seal to promote your usage of the Higg Index Transparency Program. But the license terms set forth in the Higg Index Transparency License (reproduced below) with respect to the Higg Index Product Scorecard will apply to such uses of the Higg Index Product Scorecard.
Level Achievement

Whenever the materials achievement is communicated, it must include, at a minimum, the text disclosure in the following format:

“The materials in this product show at least [25% reduction] in environmental impact, when compared to conventional materials.”

It is possible to adapt this language to match a branded platform, with prior permission from the SAC.

Any visual communication of level achievement must always be displayed visually as a horizontal bar divided into four sections; the achievement levels be included; the Product's specific achievement level should be clearly identified.

Example level achievement visualization

<table>
<thead>
<tr>
<th></th>
<th>Conventional</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>12.5%</td>
<td>25%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

It is also a requirement that the unique Higg Sustainability Profile ID for the achievement claim be available to consumers and that there be a link to the Higg Sustainability Profiles website, should a consumer wish to learn more and access the data to support the claim.

It is permissible to adapt the colors and style of visualization to match a branded platform. Levels and level names may be subject to review and revision based on additional testing and development.

Example Higg Index Product Scorecard with level achievement visualization and without impact categories

Sustainability Profile

Materials
At least 12.5% reduction in environmental impact

<table>
<thead>
<tr>
<th></th>
<th>Conventional</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>12.5%</td>
<td>25%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Profile PIPY7EM7
The first phase of this program focuses exclusively on data related to the environmental impact of a product’s materials. Additional phases of the program will expand to incorporate additional data including manufacturing and corporate responsibility.
Impact Categories
The reduction of impact for each category must be expressed as a percentage change as compared to conventional for each category, and can also be visualized on a simplified scale similar to level achievement.

It is permissible to adapt the colors and style to match a branded platform.

Example impact categories visualization

<table>
<thead>
<tr>
<th>Environmental Impact Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>This product's materials show the following reductions in impact when compared to conventional versions of the same materials.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Warming</td>
<td>14%</td>
</tr>
<tr>
<td>Fossil Fuels</td>
<td>9%</td>
</tr>
<tr>
<td>Water Use</td>
<td>88%</td>
</tr>
<tr>
<td>Water Pollution</td>
<td>47%</td>
</tr>
</tbody>
</table>

The Impact categories shall be identified as:
- Mandatory:
  - Global Warming
  - Fossil Fuels
  - Water Use
  - Water Pollution

Attribution Statement
When using the Higg Index Product Scorecard, it is required to include copy as an attribution statement and a pathway for users to access additional information. Recommended copy:

“Developed by the Sustainable Apparel Coalition, a global nonprofit alliance for the fashion industry, the Higg Index is a suite of tools that provides a unified measurement of a product, facility or brand's environmental and social impact. Read more about the Higg Index.”
Conventional Material(s)

When a product is evaluated and its overall materials content do not show at least 12.5% reduction over the conventional benchmark, the following copy can be used to describe overall performance:

“The materials in this product show less than a 12.5% reduction in environmental impact when compared to conventional materials.”

The Higg Index Materials seal cannot be displayed -- given that the product does not meet at least Level 1 thresholds -- but the generic Higg Index logo can be displayed, as can achievement level and Impact Categories.

Example usage of Higg Index Product Scorecard for conventional product
## Summary: Do’s and Don'ts

<table>
<thead>
<tr>
<th>Do</th>
<th>Don’t</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Use the provided text to describe the achievement level and include a proper attribution statement.</td>
<td>• Use the Materials seal to indicate a product’s environmental impact beyond its material composition, or outside of the context of a specific product.</td>
</tr>
<tr>
<td>• Display a product’s level achievement on a horizontal scale.</td>
<td>• Communicate achievement level using language other than what is provided.</td>
</tr>
<tr>
<td>• Always make available to the consumer a way to access the full data for a materials achievement claim on the Higg Sustainability Profiles website.</td>
<td>• Display a product’s level achievement using stars or other types of visualizations.</td>
</tr>
<tr>
<td>• Display environmental impact performance in terms of percent reduction in impact compared to conventional.</td>
<td>• Display the seal or achievement level without a link to the data backing the claim on the Higg Sustainability Profiles website.</td>
</tr>
<tr>
<td>• Display the Materials seal alongside products that achieve at least level 1.</td>
<td>• Display a single impact category.</td>
</tr>
<tr>
<td></td>
<td>• Use the Materials seal for conventional products.</td>
</tr>
</tbody>
</table>
Below is the License Agreement that: (i) outlines the terms that pertain to use of the Higg Index Materials seal, which may only be used in the event that certain products or manufacturing processes meet the objective criteria of the Higg Index Transparency program; and (ii) outlines the terms that pertain to the use of the Higg Index Product Scorecard if displayed (whether certain products or manufacturing processes meet the objective criteria of the Higg Index Transparency program or not). A copy of the below document must be executed by the named parties.

**Higg Index Transparency License Agreement**

This Higg Index Transparency License Agreement (this “Agreement”) is entered into between the Sustainable Apparel Coalition, Inc., a Delaware nonprofit corporation (hereinafter, “SAC”), and the entity named in the signature block below (“Licensee”). This Agreement is effective as of the date of execution by the Licensee (“Effective Date”).

WHEREAS, SAC developed the Higg Index Transparency program, which provides a consistent means to measure and communicate the environmental performance of materials in a product;

WHEREAS, provided Licensee’s products or manufacturing processes meet the objective criteria and requirements of the Higg Index Transparency program, Licensee may use and display the “Certification Mark” (as defined below) and/or the “Higg Index Product Scorecard” (as defined below) in connection with “Toolkits” and “Profile Pages” (as defined in the applicable Terms of Use governing use and access to the Higg Index platform, available online at howtohigg.com), subject to the terms and conditions of this Agreement;

WHEREAS, SAC is willing to grant and Licensee is willing to accept such license to use the Certification Mark and Higg Index Product Scorecard subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, the parties hereto agree as follows:

1. **Definitions.** For purposes of this Agreement:

1.1 “Certification Mark” means the Higg Index Materials seal displayed and outlined in the OPT Communication Guidelines reproduced as Exhibit A, as well as any additional changes or updates to said mark that SAC may adopt in the future.

1.2 “Higg Index Product Scorecard” means the impact category graphic displayed and outlined in the OPT Communication Guidelines. Examples of the Higg Index Product Scorecard are attached as Exhibit B. SAC reserves the right to change or update the Higg Index Product Scorecard in the future.

1.2 “Materials Performance Methodology” means the methodology that establishes the criteria,
achievement levels and/or requirements set by SAC that a Licensee must meet in order to display the Certification Mark. The current Materials Performance Methodology is available online at howtohigg.com. SAC reserves the right to modify the Materials Performance Methodology in its sole discretion at any time.

1.3 “OPT Communication Guidelines” means the guidelines that set forth how to properly display and use the Certification Mark and governs Licensee’s use of the Certification Mark and/or the Higg Index Product Scorecard to signify that Licensee has met certain achievement levels. The current OPT Communication Guidelines are incorporated by reference into the SAC Communication Guidelines available online at howtohigg.com. SAC reserves the right to modify the OPT Communication Guidelines in its sole discretion at any time.

1.4 “Verification Protocols” means the process for verification of claims from brands or retailers that submit product data to SAC for evaluation by a Verifier Body and outlines certain terms related to SAC’s application of the Higg Index Transparency program. The current Verification Protocols are available online at howtohigg.com. SAC reserves the right to modify the Verification Protocols in its sole discretion at any time.

1.5 “Verifier Body” is the company that is qualified and approved to perform the verification process via SAC’s defined procedures and protocols, as set forth in SAC’s Quality Assurance Manual, to determine whether a Licensee meets the achievement levels set forth in the Materials Performance Methodology program. The current Quality Assurance Manual is available online at howtohigg.com. SAC reserves the right to modify the Quality Assurance Manual in its sole discretion at any time.

1.6. “Verifier” is the individual(s) associated with the Verifier Body conducting the verifications in accordance with the Verification Protocols to determine whether a Licensee meets the achievement levels set forth in the Materials Performance Methodology.

2. Verification Process and Incorporated Documents.

2.1 The terms and conditions for use of the Certification Mark to identify certain brands or retailers that produce goods or manufacture materials that meet certain achievement levels are outlined in the Materials Performance Methodology, the terms of which are incorporated herein by reference.

2.2 Once the achievement levels for a Licensee’s goods or materials is established, such achievement levels are verified through an independent Verifier approved by a Verifier Body using the Verification Protocols, the terms of which are incorporated herein by reference.

2.3 Once verified, a Licensee may then utilize certain product scorecards and display the Certification Mark in connection with the promotion of its goods and services. The terms and conditions outlining how to present product scorecards and display the Certification Mark are contained in the OPT Communication Guidelines, the terms of which are incorporated herein by reference.

3. Certification Mark License Grant.

3.1 License Grant. Subject to Licensee successfully satisfying all of the steps associated with the
Verification Protocols and complying with all the terms of this Agreement, SAC hereby grants to Licensee a limited, non-exclusive, revocable, non-transferable, non-sublicensable, royalty-free worldwide license to, during the term of this Agreement to display the Certification Mark and the Higg Index Product Scorecard to indicate that Licensee meets the achievement levels established by Materials Performance Methodology.

3.2 Reservation of Rights. Except for the limited license rights granted herein, SAC reserves all right, title and interest in and to the Certification Mark and the Higg Index Product Scorecard.

4. License Requirements and Limitations. The license is granted subject to the following requirements and limitations:

4.1 Compliance with Trademark Policies. Licensee may not use or reproduce the Certification Mark or the Higg Index Product Scorecard in any manner other than as described in this Agreement and the OPT Communication Guidelines.

4.2 Certification Requirements. Licensee shall at all times comply with and meet the achievement levels set forth in the Materials Performance Methodology, as well as any revisions, updates or amendments made thereto.

4.3 Specific Use Restrictions. Licensee shall not use the Certification Mark or the Higg Index Product Scorecard, or any confusingly similar variation thereof, as a trademark, service mark, trade name, or domain name. Licensee shall not use the Certification Mark or the Higg Index Product Scorecard in any manner that is likely to reduce, diminish, or damage the goodwill, value, or reputation associated with the Certification Mark and the Higg Index Product Scorecard.

4.4 Third-Party Infringement. Licensee shall use commercially reasonable efforts to promptly notify SAC in writing if it becomes aware of any infringement of the Certification Mark or the Higg Index Product Scorecard by a third party. Licensee shall have neither the right nor the obligation to prosecute any infringement claims against third-party infringers. SAC may, in its sole discretion, enforce its rights in the Certification Mark and the Higg Index Product Scorecard to stop unauthorized use of the Certification Mark and the Higg Index Product Scorecard, at its own expense.

5. Goodwill. Nothing in this Agreement will be construed to license or transfer any rights in the Certification Mark or the Higg Index Product Scorecard except as otherwise expressly so provided. Licensee acknowledges that all goodwill generated by the Licensee’s use of the Certification Mark and the Higg Index Product Scorecard will inure solely to the benefit of SAC.

6. Quality Control. SAC may, from time to time, evaluate Licensee’s use of the Certification Mark and the Higg Index Product Scorecard in connection with Licensee’s goods, products, materials or services to ensure that Licensee is in compliance with the OPT Communication Guidelines and to ensure that Licensee continues to comply the Materials Performance Methodology.

7. SAC Ownership of the Certification Mark and Higg Index Product Scorecard. Licensee shall not: (a) challenge SAC’s right, title, or interest in the Certification Mark or the Higg Index Product Scorecard or the
validity the Certification Mark or the Higg Index Product Scorecard or any registration thereof; (b) do or cause to be done anything that would contest or in any way impair the rights of SAC in and to the Certification Mark or the Higg Index Product Scorecard; and (c) adopt, use, or register any certification mark, trademark, service mark, trade name, insignia or logo that is confusingly similar to the Certification Mark; (d) reproduce, copy, or create any derivatives of the Higg Index Product Scorecard, except as is expressly permitted in the OPT Communication Guidelines.

8. License Fees.

This License is currently provided without payment of a royalty or a license fee. But SAC reserves the right to impose a royalty or a license fee in the future and will provide Licensee with reasonable notice of imposition of the royalty or licence fee. Licensee’s failure to remit payment of such royalty or license fee when due shall result in a termination of this License.

9. Restrictions on Use and Environmental Claims in Various Jurisdictions. By virtue of satisfying the Verification Protocols, Licensee may display product profiles along with the Certification Mark and the Higg Index Product Scorecard as outlined in the OPT Communication Guidelines. These aforementioned OPT Communication Guidelines may allow Licensee to make certain approved statements related to the environmental impact of its products and/or manufacturing processes in connection with its products and services.

Each country or jurisdiction has established or may establish in the future certain laws, regulations, and/or guidelines that govern or outline the permitted environmental claims that a person or entity may make within that jurisdiction.

SAC has used commercially reasonable efforts to determine the status of the laws, regulations, and/or guidelines of the permitted environmental claims in various jurisdictions. But the status of each country’s laws is constantly evolving and determining the precise laws applicable in all jurisdictions is not feasible.

SAC has used commercially reasonable efforts to compile a list of “Approved Jurisdictions” where the Licensee may use and display the Certification Mark and the Higg Index Product Scorecard:

United States

European Union

Licensee must independently conduct its own evaluation to ensure that any use of the Certification Mark or the Higg Index Product Scorecard or any environmental claims associated meets with the laws and regulations of each specific jurisdiction (including Approved Jurisdictions) before use or display of the Certification Mark and the Higg Index Product Scorecard.

Licensee hereby agrees and assumes that any liability associated with the use and display of the Certification Mark and the Higg Index Product Scorecard and attendant environmental claims (even in the Approved Jurisdictions outlined herein) will be borne solely by the Licensee.
10. **No Warranty by SAC.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT AS EXPRESSLY STATED HEREIN, THE LICENSED CERTIFICATION MARK AND THE HIGG INDEX PRODUCT SCORECARD IS LICENSED “AS IS” AND SAC DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES WITH REGARD TO THE MARK OR ITS SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTY AGAINST INFRINGEMENT.

SAC EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES THAT ANY TRADEMARKS, SERVICE MARKS, CERTIFICATION MARKS, LABELS, TEXT, GUIDANCE PRODUCT SCORECARD OR OTHER MATERIALS OR SERVICES PROVIDED TO LICENSEE OR THE USE THEREOF WILL COMPLY WITH ANY APPLICABLE LAWS AND REGULATIONS, AND IN NO EVENT SHALL SAC HAVE ANY LIABILITY IN CONNECTION THERewith. SAC DOES NOT PROVIDE LEGAL ADVICE, AND NO SERVICES PROVIDED IN CONNECTION WITH THE VERIFICATION PROTOCOLS OR THE OPT COMMUNICATION GUIDELINES SHALL BE CONSTRUED OR INTERPRETED AS LEGAL ADVICE. IT IS LICENSEE’S SOLE RESPONSIBILITY TO COMPLY WITH ANY AND ALL LAWS IN ANY JURISDICTION, INCLUDING GREEN GUIDES AND ENVIRONMENTAL MARKETING CLAIMS AND PRACTICES, AND LICENSEE SHOULD CONSULT LEGAL COUNSEL FOR ADVICE ON THIS TOPIC.

11. **Indemnity.** To the fullest extent allowed by law, Licensee shall indemnify, defend, and hold harmless SAC and its affiliates, partners, shareholders, members, managers, directors, officers, employees, subcontractors, agents, advisors, representatives, successors, and assigns (collectively, “SAC Parties”) for any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including professional fees and attorneys’ fees, that are incurred by or awarded against SAC Parties (each a “Claim”), arising out of any third-party claims related to or in connection with: (i) Licensee’s failure to comply with any of its obligations under this Agreement; (ii) deceptive marketing claims or actions related to licensee’s products or services or Licensee’s use of the Certification Mark or display of the Higg Index Product Scorecard and/or environmental claims, including any violation(s) of any applicable laws or regulations in any jurisdiction; or (iii) any other act or omission of Licensee.

12. **Limitation of Liability.** SAC PARTIES SHALL NOT BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ARISING OUT OF OR RELATED TO ANY USE OR EXPLOITATION OF ANY CERTIFICATION MARK OR THE HIGG INDEX PRODUCT SCORECARD (INCLUDING WITHOUT LIMITATION, LOSS OF BUSINESS, REVENUE, PROFITS, GOODWILL, USE, DATA, OR OTHER ECONOMIC ADVANTAGE), HOWEVER THEY ARISE, WHETHER IN BREACH OF CONTRACT, BREACH OF WARRANTY OR IN TORT, INCLUDING NEGLIGENCE, EVEN IF THAT PARTY HAS PREVIOUSLY BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SAC SHALL NOT BE LIABLE FOR ANY DAMAGES RELATING TO THE LICENSEE’S DISPLAY OF THE CERTIFICATION MARK OR THE HIGG INDEX PRODUCT SCORECARD OR FOR ENVIRONMENTAL STATEMENTS RELATED THERETO IN ANY JURISDICTION. NO ACTION OF ANY CHARACTER ARISING FROM OR RELATED TO THIS AGREEMENT, OR THE PERFORMANCE THEREOF, SHALL BE COMMENCED MORE THAN TWO (2) YEARS AFTER EXPIRATION OR TERMINATION OF THIS AGREEMENT. THE PARTIES WAIVE THE RIGHT TO FILE AN ACTION ARISING DIRECTLY OR INDIRECTLY FROM THIS AGREEMENT.
UNDER ANY LONGER STATUTE OF LIMITATIONS. LIABILITY FOR DAMAGES WILL BE LIMITED AND EXCLUDED UNDER THIS PROVISION EVEN IF ANY EXCLUSIVE REMEDY PROVIDED FOR FAILS OF ITS ESSENTIAL PURPOSE.

13. Term and Termination.

13.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue until terminated by either party.

13.2 Termination.

13.2.1 Termination by Licensee. Licensee may terminate this Agreement at any time by providing 30 days written notice to SAC and by discontinuing all use of the Certification Mark and the Higg Index Product Scorecard.

13.2.2 Termination by SAC. SAC may terminate this Agreement upon 30 days written notice if Licensee breaches any provision of this Agreement and fails to cure such breach within such 30-day period. In addition, SAC may terminate this Agreement upon 10 business days written notice in the event Licensee: (a) fails to comply with all applicable laws, regulations, ordinances, rules, and orders that are applicable to Licensee if SAC determines that such non-compliance will negatively impact the reputation associated with the SAC and the Certification Mark or the Higg Index Product Scorecard; (b) demonstrates business practices or develops a reputation that are contrary to the mission established by SAC and its certification program at the sole determination of the SAC Board of Directors; (c) registers or attempts to register any certification mark, trademark, service mark, trade name, insignia or logo or registers any domain name that is confusingly similar to any SAC trademark; (d) materially or repeatedly fails to comply with the OPT Communication Guidelines and fails to cure such condition within such 10-day period; (e) falls out of compliance with the achievement levels set forth in the Higg Index Transparency Materials Performance Methodology.

13.2.3 Consequences of Termination. Upon termination of this Agreement, the license granted hereunder will immediately terminate and Licensee shall immediately discontinue all use of the Certification Mark and the Higg Index Product Scorecard.

13.2.4 Termination of the Certification Mark Program. This Agreement immediately terminates upon discontinuance of the Higg Index Transparency program, for any reason.

13.2.5 Insolvency. This License Agreement will terminate immediately and automatically, without the need for notice to SAC, if Licensee: (a) makes an assignment for the benefit of creditors; (b) is the subject of any voluntary or compulsory winding-up other than for the purposes of reconstruction or amalgamation; (c) has a receiver, trustee, liquidator, assignee, custodian or similar official appointed for it or for any substantial part of its property; (d) is the subject of any dissolution or liquidation proceeding.

13.2.6 Effect of Termination. Upon the termination of this Agreement, (a) Licensee will have no further rights, privileges, or licenses under this Agreement, (b) Licensee will discontinue immediately
all use of the licensed Certification Mark and the Higg Index Product Scorecard and will not use any marks confusingly similar thereto, (c) and Licensee will cooperate generally with SAC to ensure that all rights in the Certification Mark and the Higg Index Product Scorecard and the goodwill connected therewith shall remain the property of SAC.


14.1  Entire Agreement. This Agreement is the entire agreement between the parties on the subject matter hereof. No amendment or modification hereof will be valid or binding upon the parties unless made in writing and signed by the duly authorized representatives of both parties. Waiver by either party of a breach of any provision of this Agreement or the failure by either party to exercise any right hereunder will not operate or be construed as a waiver of any subsequent breach of that right or as a waiver of any other right.

14.2  Choice of Law. This Agreement will be governed by the laws of the State of California, without regard to its conflict of laws principles. Licensee consents to the personal and exclusive jurisdiction of courts located in California.

14.3  Severability. If any provision of this Agreement is held invalid, all other provisions will remain in full force and effect. The headings used in this Agreement are for convenience only, and do not affect, limit, or control the meaning, effect, or application of any provision of this Agreement.

14.4  No Transfer Allowed. Licensee may not transfer its rights or obligations under this Agreement in whole or in part to any third party and any attempt to do so is void.

14.5  Listing of Certification Program Participants. Licensee hereby agrees that SAC may list Licensee among its list of Higg Index Transparency program participants on its Web site and on any other marketing collateral, as well as in connection with its conferences and other programing.

14.6  Counterparts; Electronic Signature Valid. This Agreement may be signed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. The Parties agree that this Agreement may be electronically signed. The Parties agree that the electronic signatures appearing on this Agreement are the same as handwritten signatures for all purposes, including validity, enforceability and admissibility.

14.7  Assignment; Subcontracting. Licensee may not assign this Agreement or any interest in it voluntarily, involuntarily, or by operation of law, without SAC’s prior written consent. This Agreement will bind and benefit the Parties and their respective successors, permitted assigns, and heirs.

14.8  Execution and Performance. Each Party represents and warrants to the other that the execution, delivery and performance of this Agreement and any other documents in connection herewith (collectively, the
“Transaction Documents”), and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the Parties, that the Transaction Documents have been or will be duly executed and delivered by each Party and constitute, as of the Effective Date, legal, valid and binding obligations of each the Parties, enforceable against each of them in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors’ rights generally or the availability of equitable remedies.

14.9 **Equitable Remedies.** Licensee acknowledges that a breach or threatened breach by Licensee of any of its obligations under Section 7 (Trademark Ownership) would give rise to irreparable harm to SAC for which monetary damages would not be an adequate remedy and hereby agrees that in the event of a breach or a threatened breach by Licensee of any such obligations, SAC shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

14.10 **Cumulative Remedies.** Except as expressly set forth in this Agreement, the exercise by a Party of any of its remedies under this Agreement will not be deemed an election of remedies and will be without prejudice to its other remedies under this Agreement or available at law or in equity or otherwise.

14.11 **No Third-Party Beneficiaries.** Except as provided in Section 10 (Indemnity) and Section 11 (Limitations on Liability), this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

14.12 **Attorneys’ Fees and Expenses.** In the event of the institution of arbitration or other legal proceedings by either Party to enforce this Agreement, the prevailing Party shall be entitled to recover the reasonable attorneys’ fees and expenses associated therewith.

14.13 **Headings are for convenience.** The descriptive headings and captions identifying the various sections and subsections of this Agreement are for reference and convenience only and are not intended to be part of, or to affect the interpretation of, this Agreement, and do not define, modify, expand, or limit any of the terms or provisions herein.

14.13 **Survival.** The obligations in Sections 7 (Trademark Ownership), 10 (No Warranties), 11(Indemnity), 12 (Limitations on Liability), and 14 (Miscellaneous) will survive expiration or termination of this Agreement.

**IN WITNESS WHEREOF,** the parties have caused this Agreement to be executed by their duly authorized representatives as of the date last set forth below.

| Sustainable Apparel Coalition, Inc. | Licensee: |
Exhibit A
Exhibit B

The below graphics are “mock ups” or examples of a Higg Index Product Scorecard.

Final scorecards will change subject to actual impact environmental impact assessed during verification and approval by SAC.

Sustainability Profile

Materials
At least 12.5% reduction in environmental impact

<table>
<thead>
<tr>
<th></th>
<th>Level 0</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional</td>
<td>12.5%</td>
<td>25%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Environmental Impact Details
This product's materials show the following reductions in impact when compared to conventional versions of the same materials.

- **Global Warming**
  - A measure of the carbon emissions that contribute to global warming. From sources such as energy, soil emissions, and refrigerants.
  - 13%

- **Fossil Fuels**
  - The depletion of non-renewable fossil fuel resources like coal, oil, and natural gas.
  - 8%

- **Water Use**
  - An assessment of water consumption based on available water in the region of production.
  - 80%

- **Water Pollution**
  - In this case, specifically nutrient pollution in water which can lead to harmful algal blooms and death of animal life from lack of oxygen.
  - 40%
Contact Information

Please contact Sheila Estaniel (sheila@apparelcoalition.org) at the Sustainable Apparel Coalition.