

# Introducing the Core Verification Approach

**Dhawal Mane**

---

**Director - Verification, Training & Insights**

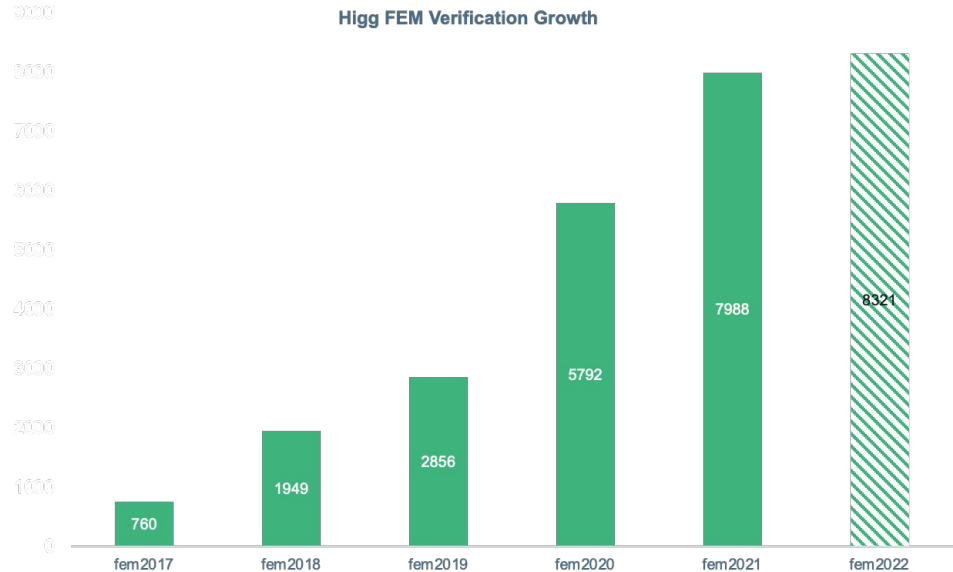
*Cascale*

**To The  
Finish Line  
GIZ Vietnam**

**Vietnam,  
2024**

# Verification: Context and Rationale

- **Higg FEM verifications grew at a compounded annual growth rate of 60% since CY2018.**
- **Need to balance Scale with Quality**
- **Challenges with the verification program**



Data as of October 26, 2023, Source: Sustainable Apparel Coalition

# Verification Challenges for CY 2024

## Long term strategic challenges

Higg FEM addresses very different needs:

- Foundational performance
- Quantitative impact metrics
- Leading practices

→ There cannot be a one size fits all verification approach

Current verification approach has largely maintained the “audit” framework

CSDDD regulation triggering a rethink of the legacy approach

## Immediate challenges

Increased question set translates to increased man-days on site for full FEM verification (from 2-3 to 4-5). Implying:

- Increased cost of full verification
- Decreased total capacity to perform verifications
- Decreased overall quality risks

# Verification Challenges for CY 2024

## Member Consultation

- Consulted with FEM Strategic Council
- 1-1 consultations with 12 member organisations (brands, manufacturers, VBs)

## Strategic Plan Alignment

- Cascale's updated Strategic Plan places a focus on Responsible Manufacturing
- Focus on Foundational Environmental Performance and decarbonization
- Doing fewer things better

## Board Approval

- Core verification proposal tabled to the Board at an in person meeting in Boston on 25-Sep-23
- Board approved the proposal

# Higg FEM 4.0 Core Question Set

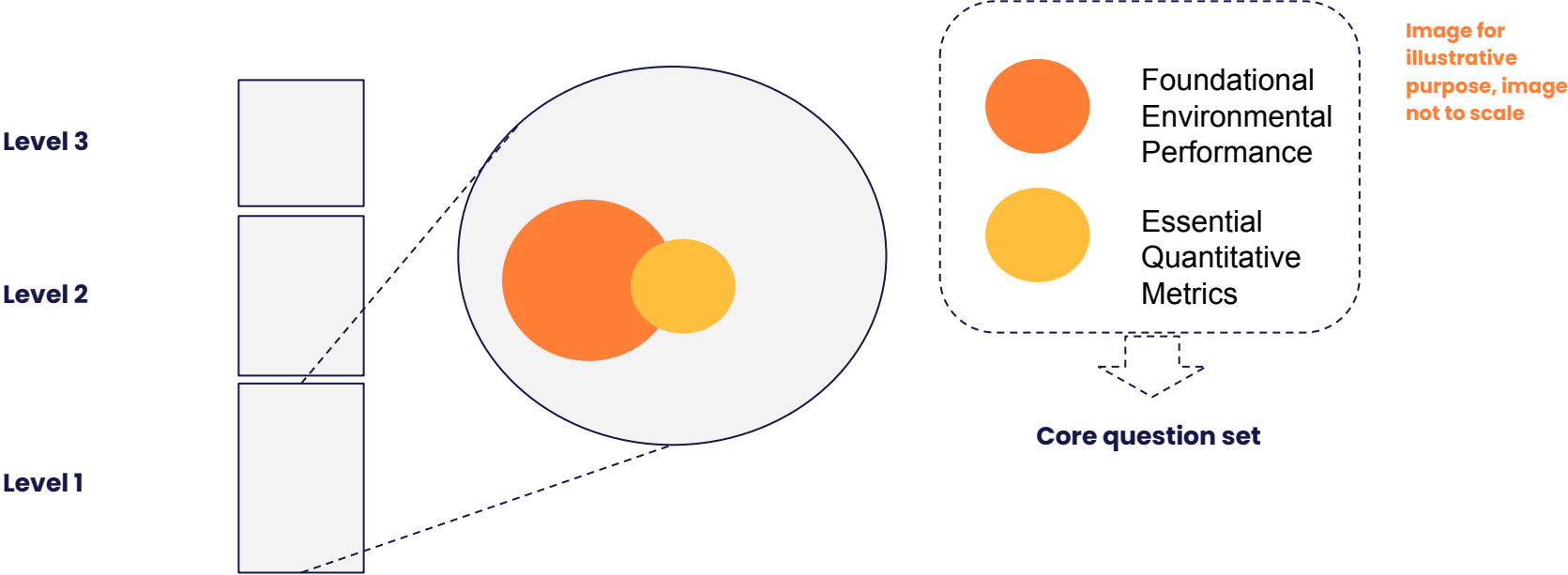


Image for illustrative purpose, image not to scale

# Key Changes

Total number of primary questions per section

Slide updated since the webinar dated 21-Nov-23

	FEM 3.0	FEM 4.0	FEM Core Verification
Site Information	7	8	8
Permits	4	4	4
EMS	13	16	8
Energy	11	23	8
Water	8	26	7
Wastewater	12	31	16
Air Emissions	8	19	6
Waste	17	31	12
Chemicals	24	31	17
<b>Total</b>	<b>104</b>	<b>189</b>	<b>86</b>

# Higg FEM 4.0: Core Verification: Protocols

---

- [Verification Protocol](#)
  - Appendix C for specific question list
  - Person Days: 2-3
- [VB Requirements Protocol](#)
  - Focus: Quantitative Impact Metrics
- [Verification Fee Schedule](#)
  - Verification Program Fee: USD300
- [Cascale Verification Webpage](#)
  - Compiled resources

## Higg Facility Environmental Module (FEM) Verification Protocol

Version 1.4, October 2023  
Document #: FEMVP2023101.4  
Authorization: Cascale  
Effective from: January 1, 2024

# Higg FEM 4.0: Core Verification Outcomes

**“With FEM verification now only covering only a subset of the full FEM assessment, verified FEM scores will become only partially verified FEM scores. Cascale is assessing alternative metrics which align with the proposed core verification approach that could potentially support the brand’s internal processes. Please stay tuned for more details.**



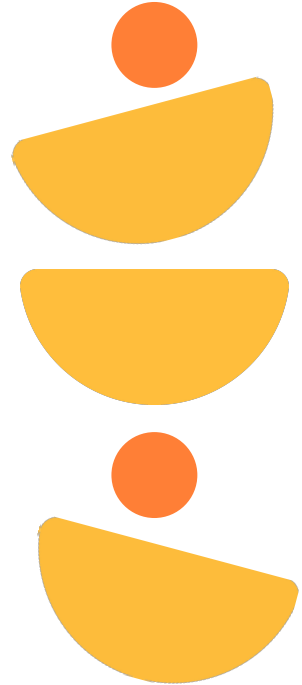
# Verification Program Fee

## Higg FEM Verification Fee

A Verification Fee of \$300 usd will be charged to VBs for each Verification

- Cascale will invoice VBs for the sum of the owed Verification fee **at a frequency to be confirmed by Cascale** . The fee will be based on the number of Verifications completed (**placed in VRF status**) in the previous payment duration.
- VBs must inform facilities of this Verification fee and include this fee as an itemized cost in the Verification agreement established with the facility

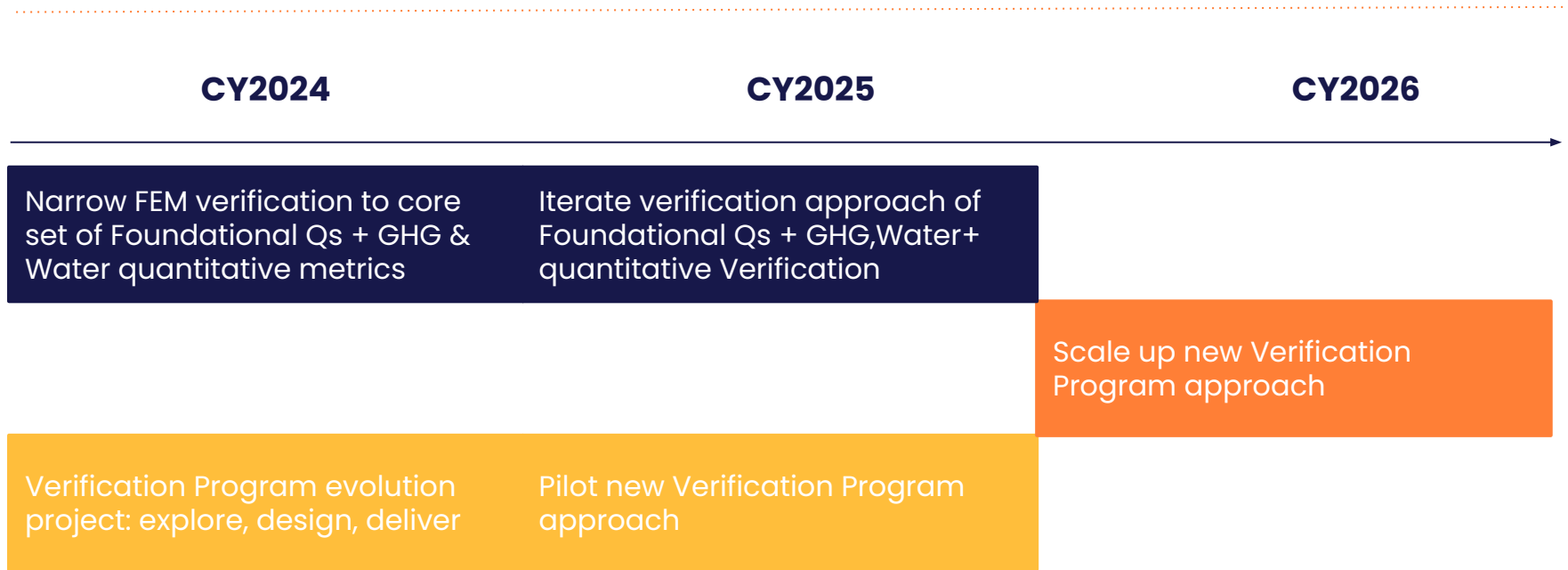
**Note:** VBs will be provided with additional details on invoicing and payment once they are available



# Fees for Higg FEM Self-Assessment and Verification

Service	Service Owner	Payment Occurs	Fee
Self-assessment subscription packages	Worldly	On Worldly	Log onto Worldly to review pricing
Verification Program Fee	Cascale	Facility pays fee directly to verification body	\$300 USD/Verification
Higg FEM Verification	Verifier Bodies	Can be paid to verification body by facility or brand depending on the business relationship.	Set by Verifier Body (based on <a href="#">Verification Protocols</a> ).
<i>Verification bodies can learn more about their fee schedule <a href="#">here</a>.</i>			

# Verification Evolution – Timelines



# Thank you!

For questions please reach  
out to:  
[verification@cascale.org](mailto:verification@cascale.org)  
[dhawal.mane@cascale.org](mailto:dhawal.mane@cascale.org)

