

HIGG INDEX FAQ

What is the Higg Index?

The Higg Index 2.0 is an indicator based assessment tool for apparel and footwear products (equipment and accessories coming soon). Its aim is to create a standard industry approach to measuring and evaluating sustainability impacts.

How does it work?

The Index asks practice-based, qualitative questions to gauge social and environmental sustainability performance and drive behavior for improvement, helping organizations standardize how they measure and evaluate social and environmental performance of apparel and footwear products across the supply chain at the brand, product, and facility levels.

The Higg Index includes modules for brands (assess product-specific practices at the brand level), facilities (assess materials, packaging, and manufacturing supplier facilities), and product (assess product-specific impacts).



Figure 1: Courtesy of the Sustainable Apparel Coalition

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What does it measure?

The Higg Index measures environmental (energy/greenhouse gas emissions; water; wastewater/effluent; air emissions; waste; and chemicals management) and social impacts across the life cycle of an apparel and footwear product.

Why is this important?

Measuring this data can help support supply chain decision-making and behavior change improvements. The Higg Index is a learning tool for companies to identify challenges and capture on-going improvement. It targets a spectrum of performance that allows beginners and leaders in environmental sustainability, regardless of company size, to identify opportunities.

Why is the OIA SWG supporting industry adoption of the Higg Index?

The outdoor industry's legacy of leadership in supply chain management is deeply intertwined with the Higg Index. In 2007, the Outdoor Industry Association Sustainability Working Group (OIA SWG) — originally called the Eco Working Group — formed, the result of several leading outdoor companies recognizing that they could make meaningful progress by working together on shared issues throughout their global supply chains.

The first tool the OIA SWG developed was called the Eco Index. The Sustainable Apparel Coalition adopted both the Eco Index and Nike's Materials Sustainability Index to create the Higg Index, the first version of which was released in 2012.

The Sustainable Apparel Coalition, representing nearly 60% of the global footwear and apparel market, manages the Higg Index and has developed it into an incredibly sophisticated web tool. The outdoor industry remains heavily involved in its development and incredibly supportive of the adoption of the Higg as a leading global standard.

How can it help me?

The Higg Index asks questions about the brand and facility level practices, looking at the entire supply chain from materials, packaging, manufacturing, transportation, care and repair, as well as end of use. Wherever you are in the

supply chain, the Higg Index can help you better understand the impact of your products and manufacturing processes while also highlighting opportunities for innovation and improvement.

The Higg Index helps companies and individuals begin to think through the questions they will need to answer in order to optimize supply chain practices, increasing efficiency and mitigating risk.

Whether you're a product engineer, overseeing operations, heading up a corporate responsibility department, or managing product development and sourcing, the Higg Index asks questions around materials selection, value chain management, chemicals impact reduction, manufacturing processes, and end of use programs that can help you highlight inefficiencies and improve your supply chain management.

If the Higg Index is the primary supply chain tool, what are all these other tools and resources that the OIA SWG has developed?

The Higg Index is a self-assessment tool (though verification and a consumer facing label are on the horizon). It gives you a sense of where your company falls on the scale of responsible supply chain management. It helps you to identify which questions to ask and where, highlighting room for improvement and helping you get out in front of challenges.

Tools and standards like the Social Responsibility Toolkit, the Resources Matrix Database, the Chemicals Management Module or standards around animal welfare can help you tackle any challenges you identify and improve your overall supply chain sustainability. The Higg Index shows you where to focus and these other resources show you how. All of the tools and resources we develop as a group are designed to align with the Higg Index, either through eventual integration (like the Chemicals Management Module or the Rapid Design Module for Equipment) or as a supplementary resource.

Why are we excited about this tool?

The Higg Index is a testament to the leadership the outdoor industry has collectively shown through the work of the Sustainability Working Group. At OIA, our mission is to ensure the growth and success of the outdoor industry. Being able to better monitor and manage your supply chain makes you less

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susceptible to the risks that come from supply chain disruptions associated with regulation, product safety recalls, resource scarcity, and fair labor violations.

Beyond the practical advantages of adopting the Higg Index, we have an opportunity as an industry to take responsibility of our supply chains and scale this tool across our industry, to show true leadership in the global marketplace, and to fulfill the expectations of our consumers that we pioneer new and innovative ways of doing things not just while using our gear, but also while developing it.

Where is the Higg Index headed?

The objective of the Higg Index (as defined by the SAC) is to “inform organizations of their strengths/weaknesses, drive business value throughout the value chain by presenting opportunities for cost-savings and innovation, and catalyze sustainability education and collaboration.”

At present, the Higg Index is a self-assessment tool. The need for a consumer-facing label has been identified, but no timetable has been set.

For a complete overview of areas of improvement that are being considered for development, please visit: <http://www.apparelcoalition.org/higgindex/>