

SAC Brand/Retail Module (BRM) Verification Program

Requirements for Verifier Bodies and Verifiers

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Acknowledgments

This document is prepared by the Verification Program Manager, Sumerra for the Sustainable Apparel Coalition (SAC). In accordance with SAC's membership engagement process, this document incorporates feedback sought from the Coalition's members involved closely with the Higg BRM Verification Pilot conducted in 2020.

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1 INTRODUCTION

1.1 PURPOSE

- 1.1.1 The purpose of this document is to ensure quality and consistency of the verification approach by all Verifier Bodies (VB). Only Verifier Bodies that are approved by SAC may carry out external verifications and complete a vBRM.
- 1.1.2 The document describes the requirements for Verifier Bodies, including competency requirements for Verifiers. This document does not describe the application and approval process for VBs, however, the competency requirements outlined here are the basis for application criteria.
- 1.1.3 VBs are subject to the Quality Assurance program described in a separate document. The requirements listed here will be the basis for systems audits/evaluations that may be included as part of that program.

1.2 DEFINITIONS

- 1.2.1 **BRM Self-Assessment Module (BRM):** This is the set of 'questions' that are answered by the Brand / Retailer to generate the BRM score. The questions are housed in the Higg.org platform. These answers and supporting documents are what is 'Verified' (aka assured) by the Verifier Body.
- 1.2.2 **Higg.org:** The Higg Index online platform containing a suite of sustainability assessment tools including the Brand and Retailer Module (BRM). Self-Assessment data and Verification determinations/data are entered in this platform.
- 1.2.3 **Verification:** The methods and processes by which a VB obtains appropriate evidence in order to express a conclusion on the reliability and accuracy of the BRM self-assessment data (that is, the outcome of the measurement or evaluation of results against defined criteria).
- 1.2.4 **Verification Program Manager (VPM):** company or **organization** designated by **SAC** to provide any or all of the oversight of the verification scheme. This may include, but is not limited to, vetting and management of service providers (e.g. Verifier Bodies), application of quality assurance procedures, risk assessment, and general project management. For the purposes of this document references to **SAC** actions may be designated as the responsibility of the **VPM** and thereby the terms **SAC** and **VPM** are interchangeable.
- 1.2.5 **Verified Module (vBRM):** The result of the Verification process, indicating the accuracy/reliability of the self-assessment data and corrected data as needed. A Verifier Body will access and complete a vBRM on the Higg.org platform. Once a self-assessment is Verified, it can be shared by a Brand/Retailer.

- 1.2.6 **Verifier (VE):** The individual(s) conducting the verifications (includes Lead Verifier and other members of the verification team). NOTE: Where this SAC expressly intends that a requirement or responsibility be fulfilled by the Lead Verifier, the term “Lead Verifier” rather than “Verifier” is used.
- 1.2.7 **Verifier Body (VB):** A company that is qualified and approved to perform the Verification Process in accordance with the defined procedures and protocols.
- 1.2.8 **Use of ‘shall’ or ‘should’:** The word ‘shall’ indicates a requirement and the word ‘should’ indicates a recommendation.

2 VERIFIER BODY REQUIREMENTS

2.1 EXPERIENCE

- 2.1.1 The VB shall have at least **5** years’ proven experience in developing company/organization level (e.g. brand, retailer) sustainability/ESG reports/conducting external verification/assurance.
- 2.1.2 The VB shall have experience with a standard assurance framework such as AA1000¹, ISEA3000², or other comparable standard.
- 2.1.3 The VB shall have proven experience in the apparel/footwear/textile industry.
- 2.1.4 The VB should preferably have experience providing management systems audits / certifications (e.g. ISO9001, ISO45001, ISO14001)
- 2.1.5 The VB should preferably have Greenhouse Gas (GHG) emissions assurance reporting experience. Preferably VB’s should be accredited according to ISO 14065 Greenhouse gases - Requirements for greenhouse gas validation and verification bodies.
- 2.1.6 The VB should preferably have experience specifically on Brand/Retailer sustainability issues.
- 2.1.7 The VB should preferably be experienced in reporting sustainability to GRI standards (e.g. consulting on report development or verification of reports).
- 2.1.8 The VB should preferably be familiar with *ISO26000 Guidance on social responsibility*, *ISO 19011 Guidelines for auditing management systems* and other relevant guidance standards.
- 2.1.9 The VB should preferably be familiar the Higg Index suite of tools.

¹ <https://www.accountability.org/standards/aa1000-assurance-standard>

² <http://www.ifac.org/system/files/publications/files/ISAE%203000%20Revised%20-%20for%20IAASB.pdf>

2.2 INSURANCE AND DATA SECURITY

- 2.2.1 The VB shall have sufficient (minimum US\$1million) professional liability insurance coverage for delivery of verifications. The VB shall maintain an information security management system (ISMS) that is aligned with global information security management best practices.
- 2.2.2 The VB shall provide any available information and data regarding the performance and management of BRM verifications to SAC (or its appointed representative) when requested to do so by SAC.

2.3 RESOURCE AND PERSONNEL REQUIREMENTS

2.3.1 Roles and Responsibilities

2.3.1.1 *VB's shall minimally have the following roles assigned.*

2.3.1.1.1 Scheme Manager

2.3.1.1.1.1 *This role has overall responsibility for the performance and quality of the Verifications. This manager shall act as the point of contact with SAC to answer queries or to discuss issues for all activities globally.*

2.3.1.1.1.2 *The Scheme Manager is also responsible for ensuring that Verifiers are up to date with training and updates to the SAC*

2.3.1.1.1.3 *The Scheme Manager shall be an employee and not a subcontractor (see 1.4.6).*

2.3.1.1.1.4 *The Scheme Manager shall be fluent in English.*

2.3.1.1.2 Verifiers

2.3.1.1.2.1 *Verifiers are independent assessors responsible for conducting a verification.*

2.3.1.1.2.2 *All Verifiers shall be registered in the SAC VB database and on Higg.org.*

2.3.1.2 *VB's shall inform the SAC of the role assignments upon request.*

2.3.2 Competence

2.3.2.1 *VBs shall have procedures that address how VBs ensure Verifiers meet the Verifier Competence Requirements (Section 3)*

2.3.2.2 *Competency requirements shall cover non-Verifier staff involved in Verification.*

2.3.2.2.1 *Technical Report reviewers shall take BRM training required for Verifiers and have knowledge of BRM requirements.*

2.3.2.2.2 *Program support staff such as Scheme Managers shall have an understanding of BRM Requirements.*

2.3.2.3 *VBs shall maintain records that demonstrate how competence requirements are met.*

2.3.3 **Training**

2.3.3.1 *VBs shall have procedures on how they provide onboarding training on BRM.*

2.3.3.2 *Onboarding training shall be provided to new hires and currently employed assessors who become BRM Verifiers. This shall be provided in addition to any required BRM training.*

2.3.3.3 *Global onboarding training procedures may be used, but onboarding training shall cover BRM specifically.*

2.3.3.4 *Procedures shall define the length of BRM onboarding training.*

2.3.3.4.1 VBs shall provide all Verifiers with ongoing training on BRM.

2.3.3.4.2 This training shall be provided at minimum once a year.

2.3.3.4.3 This training shall be linked to the outcomes of performance monitoring.

2.3.3.4.4 Ongoing training shall be provided if there are significant changes to the BRM. The SAC will notify VBs when this type of ongoing training is required.

2.3.3.5 *VBs shall maintain records that show all Verifiers have undergone onboarding and ongoing training.*

2.3.3.6 *VBs shall ensure trainings are effective. SAC does not define the length, format and content for these trainings.*

2.3.4 **Performance Monitoring**

2.3.4.1 *VBs shall have procedures for monitoring Verifier performance.*

2.3.4.1.1 VBs shall conduct an internal quality review of 100% of **BRM Reports** before the reports are finalized.

2.3.4.1.2 VBs shall define the actions they take when Verifier performance is less than acceptable.

2.3.4.1.3 Global procedures for performance monitoring covering multiple schemes may be used, but VBs shall be able to demonstrate how **BRM** is covered.

2.3.5 **Calibration**

2.3.5.1 *VBs shall have methods to ensure the consistency of BRM verification outcomes among Verifiers.*

2.3.5.1.1 Calibrations ensure verifications are conducted consistently. Performance monitoring activities should be used to identify where calibration is needed.

- 2.3.5.2 *A documented procedure on calibration is not required if VBs can describe and demonstrate their internal measures for calibration.*
- 2.3.5.3 *Ongoing training and performance monitoring can be used to meet this requirement if VBs can demonstrate how the outcomes of these activities are used to calibrate Verifiers.*
- 2.3.5.4 *Minimally Scheme Managers of VBs shall attend or review recordings of all VPM Calibration events (e.g. webinars). Verifiers are also encouraged to attend or review.*

2.3.6 Freelance and Subcontracted Verifiers

2.3.6.1 Freelance Verifiers

- 2.3.6.1.1 SAC prohibits the use of 'freelance' Verifiers. 'Freelance' means the Verifier is not a direct employee of the VB and is free to work as a contractor for any company that wishes to hire them.

2.3.6.2 Subcontracted Verifiers

- 2.3.6.2.1 Use of part-time or subcontracted Verifiers is permitted ONLY if the Verifier works on a subcontracted/part-time basis exclusively for one VB.
- 2.3.6.2.2 If using part-time or subcontracted Verifiers, the VB shall exercise and enforce the same criteria as when utilizing full time employees.
 - 2.3.6.2.2.1 *The VB's BRM policies and procedures on Verifier qualifications, internal training, performance monitoring, calibration and ethics/integrity shall be applied to part-time and subcontracted Verifiers.*
 - 2.3.6.2.2.2 *Any part-time/subcontracted Verifier shall also be documented to be covered by the VB's Professional Liability Insurance coverage; and/or Indemnification; Data Security, Confidentiality, and Terms of Use*
 - 2.3.6.2.2.3 *VBs shall maintain documentation that demonstrates how any subcontracted/part-time Verifiers meet these requirements. This documentation may include subcontracting agreements; Internal training logs for part-time/subcontracted Verifiers; affidavits/documentation from insurer indicating coverage of such Verifiers; Performance Monitoring results for part-time/subcontracted Verifiers*

2.3.7 Registration of Verifiers

- 2.3.7.1 *Once approved by SAC, Verifiers are added to the SAC BRM database and linked to their associated VB*
- 2.3.7.2 *Informing the VPM of staff changes*
 - 2.3.7.2.1 If a Verifier ceases to be employed by a VB, the VB shall inform the SAC immediately.

2.3.7.2.2 Any delays in informing the SAC of these staffing changes may result in VBs being charged applicable Fees for these Verifiers

2.3.7.3 Transfer of Verifier approvals

2.3.7.3.1 VBs that add an existing Verifier to their employ can maintain their approval status. Reapplication is not required if a Verifier transfers from one approved VB to another.

2.3.7.3.2 To maintain approval status, the Verifier or VB shall complete a transfer form.

2.3.8 Use of Translators

2.3.8.1 Translator Qualifications

2.3.8.1.1 VBs shall have a procedure for vetting translators to ensure they are familiar with and understand sustainability and sustainability related terms.

2.3.8.1.2 VBs shall ensure that translators understand and abide by the VB's internal Code of Conduct, confidentiality requirements and all applicable terms of the VB approval.

2.4 MEMBERS OF VERIFICATION TEAM

2.4.1 A verification team shall include a lead verifier who meets the verifier competency requirements.

2.4.2 The verification team shall have knowledge of the apparel/footwear/textile industry.

2.4.3 The verification team shall have experience with sustainability reporting such as GRI, SASB, CDP, UNGC, National Sustainability reporting mandate by Government or stock exchange, market regulator or other comparable standards.

2.4.4 A verification team may include one or more team verifiers.

2.4.5 A verification team may include subject matter experts.

2.4.6 If a verification team includes more than one individual their roles are defined as follows:

2.4.6.1 **Lead Verifier:** *The lead verifier has primary responsibility for determining if BRM requirements are met.*

2.4.6.2 **Team Verifier:** *Team verifiers assists in gathering information and evidence and makes recommendations to the lead verifier on conformance with BRM criteria.*

2.4.6.3 **Subject Matter Expert:** *Subject matter experts are individuals who do not meet the requirements for being a verifier but have technical knowledge on one or more of the sustainability topics included in a BRM verification. They help verifiers interpret and understand technical subjects but do not make decisions on conformance with BRM criteria.*

2.5 ETHICS AND INTEGRITY

2.5.1 Ethics and Integrity Procedures

2.5.1.1 VBs shall have a professional Code of Conduct that covers ethics, integrity and impartiality.

2.5.1.2 Verifiers shall receive and understand the Code of Conduct.

2.5.1.3 VBs shall provide annual training on ethics and integrity.

2.5.1.4 VBs shall have procedures that address:

2.5.1.4.1 How Verifiers can raise concerns about ethical issues, including when an organization offers a bribe or acts unethically

2.5.1.4.2 How organizations can report on instances where Verifiers solicit or accept bribes or act unethically

2.5.2 Impartiality

2.5.2.1 VBs shall undertake regular assessment of threats to impartiality and of the conflicts of interest that arise when providing BRM services. Conflicts of interest can arise from a VB's relationship with its clients and unrelated bodies or from its relationship with related bodies.

2.5.2.1.1 For each BRM verification a VB undertakes, they shall ensure there are no conflicts of interest that arise from a past or present relationship between the organization and the Verifier(s) and/or VB that will impact the integrity of the verification.

2.5.2.2 The VB shall document all possible conflicts of interest that relate to provision of BRM related services and make this documentation available to SAC.

2.5.2.3 VBs shall be able to demonstrate how they eliminate or control any threats to impartiality or conflicts of interest. For example, where the VB is part of an organization involved in activities other than audit, the VB shall be separate from the other functions.

2.5.2.4 If a Verifier engages in consulting work (including but not limited to advisory and training services) at an organization, they are prohibited from conducting verifications at that organization for a period of 2 years.

2.5.3 Payment of Fees

2.5.3.1 VB Fees

2.5.3.1.1 VBs shall pay all applicable fees

2.5.3.1.2 Failure to comply with the commitments can result in immediate termination of the VB approval.

2.5.3.1.3 Current BRM fees are published in the BRM Fee table document (see Section 4).

2.5.3.1.4 Payment terms for all SAC invoices are net 30 days unless otherwise noted.

2.5.3.1.5 Invoices for fees are issued by SAC to the VB scheme manager or designated point of contact. SAC does not split invoices or issue invoices to a VBs regional offices/subsidiaries.

2.5.3.2 Penalties for non-payment or late payments

2.5.3.2.1 SAC will issue payment reminders for all invoices not settled within 30 days. The following penalties may be implemented:

2.5.3.2.1.1 Invoice unpaid after 90 days: the SAC will issue the VB with a warning that failure to pay will result in suspension of the VB from SAC.

2.5.3.2.1.2 Invoice unpaid after 120 days: the SAC will inform the VB that they have been temporarily suspended from SAC. The VB will be able to complete any assigned verifications but will not be permitted to be selected for new verifications.

2.5.3.2.1.3 Invoice unpaid after 150 days: the SAC will inform the VB that they have been permanently suspended from conducting SAC verifications.

2.5.3.2.2 Repeated late payment of fees: VBs that are consistently late in paying their invoices (if two or more invoices are not paid within 60 days) will also be subject to a warning and at risk of suspension if further invoices are not paid on time.

3 VERIFIER COMPETENCY REQUIREMENTS

3.1 EDUCATION

- 3.1.1 Verifiers shall have post-secondary education with a minimum course duration of 2 years.
- 3.1.2 Verifiers should preferably have post-secondary education in a discipline related to sustainability.

3.2 EXPERIENCE

- 3.2.1 A Verifier shall have at least 2 years' proven experience in developing company/organization level (e.g. brand, retailer) sustainability reports/conducting external verification/assurance.
- 3.2.2 A Verifier should preferably have proven experience in the apparel/footwear/textile industry (requirement for the team, see 1.6.3).
- 3.2.3 The VB should preferably have proven experience providing management systems audits / certifications (e.g. ISO9001, ISO45001, ISO14001)
- 3.2.4 A Verifier should preferably have proven experience in Greenhouse Gas (GHG) emissions calculations.
- 3.2.5 A Verifier should preferably have proven experience specifically on Brand/Retailer sustainability issues.
- 3.2.6 A Verifiers should preferably have proven experience in reporting sustainability to GRI, SASB, CDP UNGC, National Sustainability reporting mandate by Government or stock exchange, market regulator or other comparable standards (requirement for the team, see 1.6.4)
- 3.2.7 Verifiers should preferably have certifications [e.g. Certified Sustainability Assurance Practitioner (CSAP); Sustainability (ESG) Practitioner; etc.] relevant to conducting sustainability assurance

3.3 TRAINING

- 3.3.1 Verifiers shall complete an introductory training on BRM. This training is provided by SAC.
- 3.3.2 Verifiers shall attend any required refresher training on a cadence (e.g. annual) as determined by SAC
- 3.3.3 A Verifier should preferably have received training in Greenhouse Gas (GHG) emissions calculations.

3.3.4 A Verifier should preferably have received training or have experience in measurement and verification of other World Economic Forum core sustainability metrics such as:

3.3.4.1 *Planet*

3.3.4.1.1 Land use and ecological sensitivity

3.3.4.1.2 Water Consumption and withdrawal in water-stressed areas

3.3.4.2 *People*

3.3.4.2.1 Diversity and Inclusion

3.3.4.2.2 Pay equality

3.3.4.2.3 Wage Level

3.3.4.2.4 Risk of Child, Forced or Compulsory Labour

3.3.4.2.5 Health and Safety

3.3.5 A Verifiers should preferably have received training in reporting sustainability to GRI, SASB, CDP or other comparable standards (requirement for the team, see 1.6.4)

3.3.6 A Verifier should preferably have received training on *ISO26000 Guidance on social responsibility*, *ISO 19011 Guidelines for auditing management systems* and other relevant guidance standards.

4 GRIEVANCE PROCEDURE

4.1 PROCESS

- 4.1.1 If a VB wishes to make a complaint about the implementation of the procedures described in the document or any other document or procedure, or if another person or organization wishes to make a complaint regarding the conduct or qualifications of a VB or a Verifiers in relation to these or any other SAC requirements or procedures, this should be communicated in writing SAC via SACBRM@sumerra.com.
- 4.1.2 In the first instance, the VPM will seek to resolve the complaint. This may include mediation between two parties to agree a resolution.
- 4.1.3 If no agreement can be reached to the satisfaction of all parties, the VPM will refer the question to the SAC Technical Committee, which may convene an adjudication subcommittee to resolve the question.

5 RELATED DOCUMENTS

BRMSFS2021041.0 - SAC BRM Fees Table

TBD - Integrity Quality Assurance Program

TBD - List of Recognized Schemes

BRMPVP2021041.0 - Verification Protocol

BRMGHTH2020041.0 - HowtoHigg

6 DOCUMENT CHANGE LOG

Date	Section	Summary of Changes
February 26, 2021		Original Document
April 5, 2021	Related Documents	Updated document numbers/references