

FEM 2023 Live Q&A

Nike / Worldly / SAC

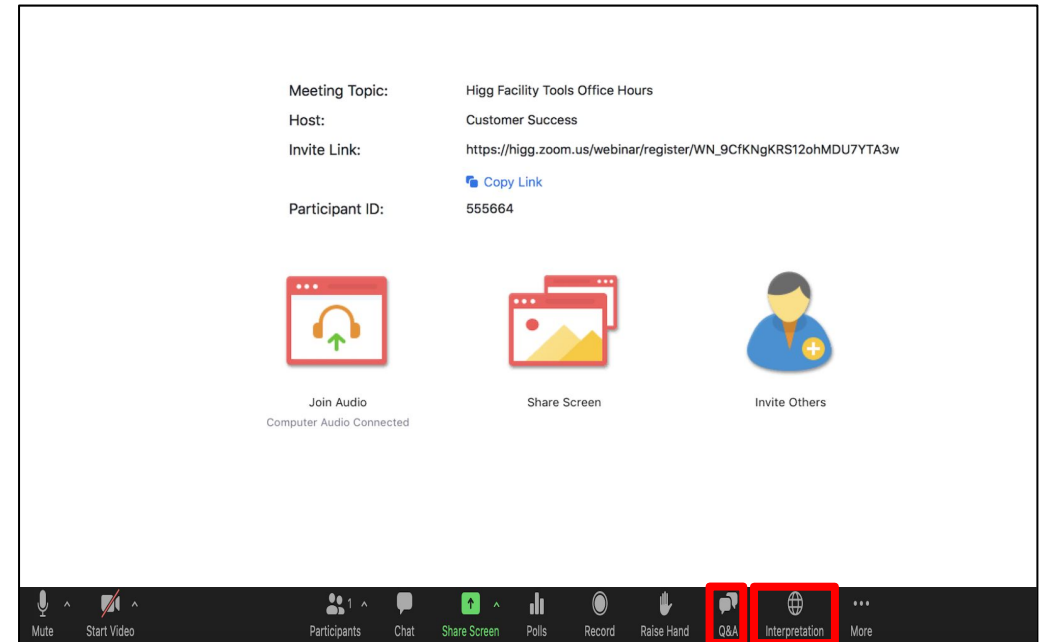
Jan 2024



Attendees will be **muted** for duration of webinar.

Submit your questions through the **Q&A box** [please do not use the chat].

Please select your preferred language from the **Interpretation** button.



Q&A

Choose language

Host & Panelists



Vic Lau / Tiffany Leung
Customer Success Team,
Worldly



Angela Ng
Director, Higg Facility Tools,
SAC



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Senior Manager – Higg Facility
Tools, SAC

Nike deadline – verified assessment shared with Nike

		2023			2024											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
FEM 2023	Purchase	FEM, Foundations, vFEM, and vFoundations available for purchase until Oct 31 2024														
	Assessment	FEM and Foundations assessment open from Nov 2nd 2023 – Dec 31st 2024														
	Posting				Unlimited posting and unposting till April 30th				One-time posting							
	Verification				Verification possible until Dec 31 2024											

For FEM 2023

- **December 31, 2023:** All facilities must purchase a 2023 Higg Facility Subscription
- **January 31, 2024:** Recommend all Higg FEM and Facility Foundation self-assessments posted and shared with Nike, verification scheduled with verifier from SAC verifying body list
- **April 15, 2024:** Complete onsite verification by SAC-approved verifier & review your verified assessment. No changes can be made after VRF status is assigned. There is NO addendum process for FEM. Finalize assessment on Worldly.io by changing to VRF.
- **April 30, 2024:** All verified Higg FEM and Facility Foundation modules must be posted and shared with Nike.

Nike’s Deadlines 2023–2024 – New Facility Enrollment:

- **NSAP** Complete the assessment process within **eight weeks** from the date of Nike enrollment email.
- **Better Work** (Not in SLCP Eligible Countries) As soon as possible from the date of Nike enrollment email – all facilities must purchase Higg Facility Subscription

Best Practices *(reference - Nike FEM 2023 enrollment Email)*

- **Please get in touch with verifiers early**, while you are completing the assessment to confirm you can secure a verification slot to meet the deadline. After onsite verification, an additional **20-25 days** may be needed to finalize verification in case of dispute/ time needed for verifier to complete the report.
- Facility is responsible to ensure that the verified answer is **accurate information** for the manufacturing situation and practices.
- **Provide enough documents and detailed information** during the verification for good responses.
- **Communicate with verifiers to provide detailed and accurate information** in final FEM comments.
- You **must review and dispute your verified FEM (vFEM) including comments or responses before you change the status to Verification Finalized (VRF)**.
- There is **NO addendum process for FEM** meaning that once you change your status to Verification Finalized (VRF) you can no longer make changes.
- **Post your verified FEM and share with Nike** on Higg.org before the deadline (Nike account: Nike, Inc and Nike Higg ID: 120)

Nike uses FEM data to assess compliance against the Nike Code & CLS

Code & CLS

- FEM questions are mapped to the Nike Code Leadership Standards (CLS)
- Nike ratings are applied based on severity and risk associated with the requirements in the Nike CLS

FEM 2023 changes

- In FEM 2023 the same Nike CLS requirements are mapped as in FEM 2022
- There are some differences in mapping due to new questions or replacement questions in FEM 2023

FEM levels

- Nike uses FEM level 1 questions to assess compliance against Nike's Code & CLS (or FEM Foundations questions)
- A few FEM level 2 questions are used, however, these level 2 questions do not result in a below Bronze rating (these are considered minor findings)

Worldly's Email Reminders

- **FEM 2023 cadence kickoff**
- **Module purchase**
- **Self-assessment post & share**
- **Verification finished**
- **Live Q&A session registration**
- **E-learning course completion**

worldly™

Complete your assessment

Hello there,

Worldly, the Impact Intelligence platform, is the new home of the Higg Index and more. [Read more](#) about our recent launch.

Before the live Q&A sessions, we would ask you to complete the Nike e-learning course **by January 5, 2024**. If you haven't enrolled the e-learning course already, please follow the below steps:

1. Register for either of the below live Q&A sessions:

- [Session 1: For AMER/EMEA on Jan 10 at 8am PT / 5pm CET / 12am HKT](#)
- [Session 2: For APAC on Jan 11 at 2pm HKT / 10pm PT / 7am CET](#)

2. [Log into your Worldly e-learning account](#)

worldly

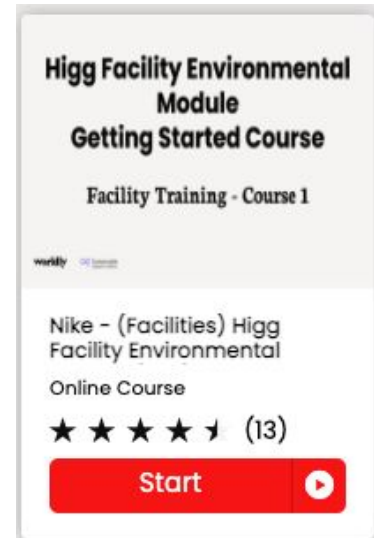
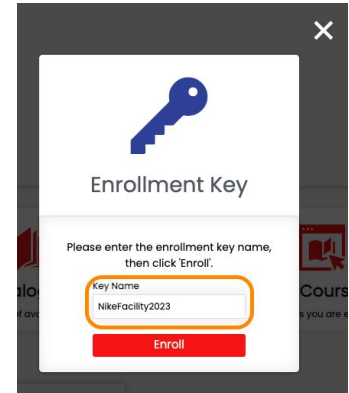
 Sustainable
Apparel Coalition

E-learning courses

- Nike - (Facilities) Higg Facility Environmental Module (FEM) Getting Started: Course 1
- Nike Results and Verification Course: Facilities

How to enroll in the Nike e-learning courses:

1. Login to your Worldly account
2. Go to <https://learn.worldly.io?KeyName=NikeFacility2023>
3. If you are prompted for an enrollment key, enter NikeFacility2023
4. This will add both courses to your course catalog and you can access them in the My Courses section
5. To start the course click Start



Submitted Questions

Site Info & Permit

Q1.

- **What was your facility's annual volume?** After the factory enters the box "Annual Quantity - Finished shoe output" and selects "Unit of Measure (Primary, SAC Benchmarking) - pairs", FEM requests to add the boxes "Annual Quantity (Additional Option)" and " Unit of Measure (Additional Option) - SAM".
 - So is the factory required to answer the additional question about "Standard number of minutes when making a pair of shoes"? - SAC
 - And if the factory answers, the factory only needs to fill in the standard number of minutes it takes to make a pair of shoes or the factory must calculate the total number of minutes of total number of shoes? - SAC

A1. Factory does not require to answer the Additional Option of Annual Quantity and Unit of Measure, if they don't have it available. And if you do track your annual volume in SAM, then you will need to enter the total number of minutes of the annual volume quantity.

Site Info & Permit

Q2. Does FEM4.0 version have all newly added lists?

Q3. Summary of red line issues involved in FEM. - SAC & Nike

A.

Q2. [Question unclear]

Q3. Nike's requirements are outlined in the Nike Code Leadership Standards (CLS). FEM questions are mapped against the Nike CLS.

Air Emission

Q1. What is the scope of point source exhaust gas emissions? Does it include forklifts? - SAC

- A. Pollutants are typically emitting from the one of the following types of emission sources:
- **Point Source:** air flow which is actively controlled and directed (e.g., by fan and exhaust ducting) into the atmosphere from a single stationary fixed source such as stack or vent. Examples include boiler exhaust stack, the exhaust stack of a local ventilation system used to capture emissions from processes that emit volatile organic compounds (VOCs).
 - **Fugitive Emissions Source:** for the Higg FEM, fugitive emission sources are those that are passively released into the outdoor environment and are not actively directed through a single exhaust point (e.g., stack or vent). Examples include screen printing, spot cleaning or dyeing areas with only general ventilation (e.g. passive sidewall ventilation or windows).
 - **Mobile Emissions Source:** for the Higg FEM, mobile emission sources are those that are non-stationary sources of emission. Examples include powered motor vehicles (e.g., forklifts, trucks, passenger vehicles), heavy machinery (e.g., mobile cranes or lifts), small engines (e.g., landscaping equipment).

Air Emission

Q2. The refrigerant used by the company cannot be found in the options, how do we choose it? - SAC

A. There are 15 refrigerant categories, and 344 individual types of refrigerant to choose from the dropdown. If you cannot find the refrigerant option from that list, please send a request to customer support so that a ticket can be created and the refrigerant can be added.

15 Categories - CFC ; CFO ; HCFC ; HCFO ; HFC ; HFO ; HCC ; HCO ; HC ; HO ; PFC ; PFO ; PCC ; PCO ; H

Air Emission

Q3. If the air emission source from generators, which dust/particulates do we choose PM 10 or PM 2.5? - SAC

A. You should choose- PM 2.5

PM10 is mostly generated through - Dust from roads, farms, dry riverbeds, construction sites, and mines

Fine (smaller) particles, called PM2.5, are more dangerous because they can get into the deep parts of your lungs – or even into your blood, which can be created through combustion processes

Energy and GHG

Q.

1. Will GHG emission affect the rating ? - Nike: A. No, GHG emission is not a compliance requirement for Nike

2. *Level 2 - Q14: Has your facility set targets for reducing your facility overall Scope 1 and Scope 2 GHG emissions? According to How to Higg Guide 2023 - Oct 31, 2023 - Page 79: “The Higg FEM calculates Scope 1 and 2 GHG emissions based on the energy use values entered in the Energy section, as well as the refrigerant use listed in the Air section. Energy use values input into the FEM are converted to a common unit (MJ) and GHG emissions (CO2e) are calculated using the 100-year Global Warming Potential factors for each GHG in the IPCC 5th assessment report, including non-carbon GHGs”.*
 - So the GHGs from the factory such as petroleum are used for supporting activities (fire drills, bonsai care, etc...); - SAC
 - Are CO2 gas leaks from fire extinguishers and CH4 gas from wastewater treatment systems calculated in Scope 1? - SAC
 - Will the electricity emission factor be used from EIA (on Nike's Wed Enablon website) or from Vietnam's announcement? - SAC & Nike

Energy and GHG

Q.

3. A the new FEM4.0, living and production energy consumption is separate, how the unit KgCO2e will be calculated in future (only the part direct use at production)? - SAC
4. Energy invoice numbers will be with some gaps than actual operation consumption as counting time is different. If onsite's verification will be based on the invoice numbers or actual operation for calculation? - SAC
5. If the new setting on the GHG may auto-calculation on the scope 1, 2, 3 (if with) which a facility may directly use for its' internal GHG calculation report? - SAC
6. if we already have electrical meter then for measurement why should separate between production and non production? - SAC

Chemical

Q.

Is it mandatory using ZDHC Gateway for checking chemical inventory list to ZDHC MRSL? – SAC & Nike

A.

Nike: It depends. If you are in scope for chemical visibility it is a requirement. For others not in scope for chemical visibility, it is not required but is a best practice.

Water

Q.

1. If didn't have use grey water, will reducing score or no? - Nike
2. Eliminated (reduced more than 90% the use of groundwater for your production processes?) - SAC

A.

Nike: No, use of grey water & elimination of groundwater use is not a compliance requirement for Nike.

Waste

Q1. Which type of waste does LED light belong to? Light bulb? (Hazardous? Harmless?) or electronic waste? (Hazardous? Harmless?) – SAC

- A. It is recommended that the facilities report these under “Other” under the Hazardous waste category, if we get a significant amount of “other” inputs with LED lights, will include that as a category.

We understand that the 25,000– 50,000 h lifetime of most commercial LEDs installed in manufacturing facilities are running out, as such based on the input by facilities, will decide to add this as a new line item

Waste

Q2. Tracking solid waste already rub, but did not understand circular economy ? is it like machine who accept solid waste and will given money to person who dispose the waste inside machine or what? - SAC

A.

Technical Guidance:

A circular economy is a regenerative system in which resource input and waste is minimized by slowing, closing, and narrowing material loops; this can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, recycling, and upcycling. This is in contrast to a linear economy which is a 'take, make, dispose' model of production.

In the Higg FEM, Circular systems is defined as a system that captures and reintroduces waste from and into the facility's own operations or production or captures and reintroduces waste into an external party's operations or production. Some examples include:

- Textile waste that is recycled into a new material and then used for a new production run.
- Recycling plastic bottles to make fabric.
- Recovering coal ash from the boiler room to make bricks.
- Aluminium recycling to produce cans.

Others

Q.

1. SBTi mandatory or no? - Nike & SAC
 2. Will factories be verified on all Level 1 and certain level 2 questions by the verifier body? - SAC
 3. Since FEM has been changed to core verification, will NIKE issue a finding for other questions? (Will NIKE issue a finding for non-core questions?) - Nike
1. SBTi is a scored question in Level 3 of the Energy Section in FEM 2023. It is not a compliance requirement for Nike.
 2. In FEM 2023 cadence, only Core Verification or FEM Foundations verification are available for factory to verify their data. The scope of these are within the Level 1 questions (not all Level 1 questions will be verified). Level 2 and Level 3 questions are not in the scope of the Core Verification or FEM Foundations verification.
 3. Nike:
 - Nike uses Level 1 questions to assess compliance. Currently, there are 5 FEM Level 2 questions mapped to Nike requirements. These would only trigger a Minor finding.
 - Majority of Level 1 questions are in the Core Verification.
 - Nike only requires completion of FEM Level 1. However, we encourage facilities to complete level 2 & 3. Over 50% facilities share their FEM assessment with other brands. Many other brands are using level 2 & 3 questions to do their Carbon / Water / Waste reporting.

Q&A

Support & Training Resources

Training & Support

[Nike's facility guidance page](#)

Learning Center:

- FEM e-learning courses & videos
- SAC Approved Third Party Training Programs

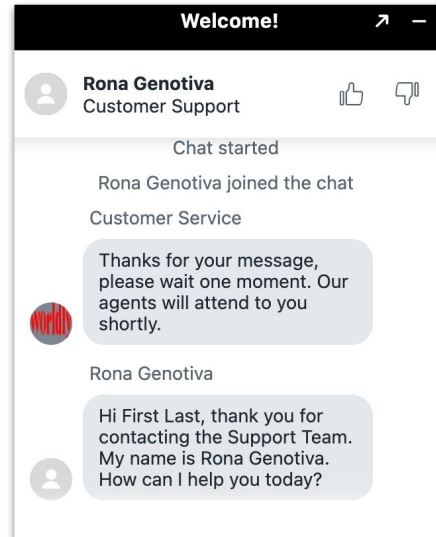
Content Guidance:

- In-tool guidance & Howtohigg.org

Support team:

- Browse through help articles
- Submit a ticket & Live Chat

[Weekly Live Office hour sessions](#)



Upcoming Live Trainings

Click on the preferred session to register
All trainings are hosted in English, with additional languages available listed for each webinar session

< > **October 2023**

MON	TUE	WED	THU	FRI	SAT	SUN
-	-	-	-	-	-	1
2	Worldly/SAC FEM4.0 Office Hours #2 90 Minutes	MSI Onboarding	FSLM Onboarding	6	7	8
	Worldly/SAC FEM4.0 Office Hours #1 90 Minutes					
10		PM Onboarding	Product Tools Office Hours	13	14	15
Worldly/SAC FEM4.0 Office Hours #3 (APAC Mandarin Only) 90 Minutes						
16	17	Product Module Deep Dive: Apparel	19	20	21	22

Thank You

Do you have questions?
Contact our support team:
support.worldly.io