



PRESS RELEASE

Sustainable Terms of Trade Initiative responds to launch of revised SAC's Brand Retail Module – a “useful first step.”

Zeist, March 13, 2023 - STTI looks forward to continued collaboration to further develop the purchasing practices element in the Higg BRM, and build greater alignment with the Common Framework, fully reflective of actual business practice.

The Sustainable Terms of Trade Initiative (STTI) has welcomed the launch of the revised Higg Brand Retail Module (BRM) by the Sustainable Apparel Coalition (SAC), an instrument used by over 300 brands and retailers globally, which now features a revision to questions specifically focused on purchasing practices. The revision comes as a result of the engagement between the SAC and STTI and Fair Wear, representing the Multi-Stakeholder Initiatives Working Group of the Common Framework of Responsible Purchasing Practice (CFRPP), who provided input and feedback to the responsible purchasing practices section of the assessment .

STTI calls the Higg BRM a welcome “first step”, but adds that it is clear that successive improvements of the Higg BRM’s purchasing practice questions are going to be necessary. Specifically, STTI would like to see a larger proportion of BRM questions devoted to purchasing practices, better reflecting their role as a key prerequisite for real improvements in social and environmental conditions in the apparel supply chain.

Miran Ali, STTI spokesperson comments: “STTI is glad that the SAC has been receptive to its recommendations and we can now see the garment manufacturers’ definition of good purchasing practices clearly reflected in the BRM. The resulting revised purchasing practices set of questions within the Higg Brand & Retail assessment is definitely a step in the right direction in the quest for the necessary improvement of purchasing practices.”

“ These are important achievements for STTI and the Common Framework, both individually and as a collaborative effort.”

“Most important are of course the actual purchasing practices. The Better Buying Commercial Compliance Tracker™ shows that long payment terms, prices not reflecting steeply rising input prices and the lack of forecast information reflect areas of least commercial compliance. In the end, STTI will judge the success of the new BRM purchasing practices questions by the actual improvement of the commercial compliance of its users.”

Maravillas Rodriguez Zarco, Director, Higg Brand & Retail, Sustainable Apparel Coalition, said: ““We are excited to launch the latest version of our Higg Brand and Retail Module, which is a major milestone for the SAC and are grateful for the opportunity to engage with STTI and the Common Framework and their contribution and feedback on the responsible purchasing practices section of



the Higg Brand and Retail Module. As we continue to iterate the BRM to address the needs and expectations of our members and industry at large, we look forward to future opportunities to deepen our collaboration as we continue to support brands and retailers on their sustainability journeys to drive positive impact at scale.”

Brands’ and retailers’ use of the BRM will start to generate important knowledge that will help us to better assess purchasing practices. STTI therefore looks forward to a continued collaboration with the SAC to improve and increase the purchasing practices element in the BRM.

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Notes to Editors:

The 13 association, 10 country initiative STTI (Sustainable Terms of Trade Initiative), along with a coalition of MSIs that has developed the Common Framework for Responsible Purchasing Practices (the Common Framework), have been advising the SAC on the development of the purchasing practices related questions in an expert committee.

STTI and the Common Framework have themselves worked together very closely with the purchasing practices principles of the Common Framework having been strongly based on the STTI’s key and further recommendations for better purchasing practices as defined in its September 2021 White Paper.