



PAPER USE AND PROCUREMENT POLICY

Who We Are

We have a mission statement at Patagonia that goes like this: “Make the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.” There’s not a lot of wiggle room in it, and it guides our every move – including our procurement and use of paper.

Our company makes clothing for outdoor pursuits: climbing, surfing, skiing, fly-fishing, trail running... Many who work here practice those sports, foremost among them owner/founder, Yvon Chouinard. We spend a lot of time outdoors and travel widely. Environmental destruction is not an abstraction to us. We’ve seen the pervasive ruin of the places that restore us, and as a company we’ve taken it upon ourselves to do something about it. Our efforts take many forms too numerous to list here. We encourage you to visit patagonia.com/enviro to learn about them.

What We Know About Irresponsible Forestry

When it comes to producing paper and other forest products, we are acutely aware of how irresponsible forestry practices are systematically destroying the Earth’s biodiversity. For logging



The more recycled paper we use, the fewer trees we cut. Region IX, Chile.
JIM LITTLE

companies, clearcutting is the most expedient and cost-effective method of converting trees to logs. This worldwide practice results in the deforestation of vast tracts of wild forest, which are replanted with neat rows of easily managed (frequently non-native) trees. We’ve traveled the miles of roads built by logging companies when they move into forests to cut trees, and seen how the erosion from their clearcuts chokes streams. We’ve witnessed the extensive loss of habitat upon which both man and wild creatures depend, and are cognizant of the less visible role trees play in storing water, producing oxygen and absorbing carbon dioxide – a greenhouse gas directly responsible for climate change.

The Importance of Protecting Endangered Forests

We’ve also spent time in endangered forests, which contain most of the world’s remaining old-growth, primary and ancient trees. They include such magnificent places as the coastal temperate rainforest (including the Great Bear Rainforest, Vancouver Island and Alaska’s Tongass) and south coast of British Columbia, the inland forests of British Columbia, North America’s boreal, forests in the Sierra Nevada, the tropical rainforests of Indonesia and the Amazon, as well as Chile’s *alerce* and *araucaria araucana* forests. These biological jewels are home to diverse and endangered plants and animals. Like all forests, they store vast amounts of water and carbon dioxide. They are precious, irreplaceable and must be protected at all costs.

Taking Some Responsibility

We recognize that our company’s policies have a pronounced and measurable effect on the natural world and try to reduce some of the harm we cause from using paper.

Patagonia’s Paper Use

Ours is a mail-order company that produces several million catalogs each year. This requires a significant amount of paper.

We know that by reducing our use of paper, and by buying paper made with post-consumer waste (PCW) fiber, we consume less of the Earth's forests. Buying recycled also helps to support an industry that makes use of materials that might otherwise be discarded.

We recognize that paper should not be made with virgin wood fiber taken from trees harvested in endangered forests, and that it should be certified by the Forest Stewardship Council (FSC), as this provides the clearest assurance of protection for high-conservation-value forests, imperiled wildlife, First Nations and indigenous peoples' rights, and other crucial environmental and social values.



Tree-sitters putting their lives on the line to defend North American old-growth. Northern California. BARRY TESSMAN

Because of our concern for the environment, our paper procurement and use standards are some of the highest in the catalog industry, and we're always trying to improve them. We encourage you as a company, or an individual, to take a look at your own use of paper. Significant improvements are achievable without sacrificing quality, though they do require self-awareness, will and persistence.

Patagonia Paper Choices in Order of Preference

Our first choice is to buy paper that contains the highest level of **post-consumer** waste fiber technically and economically feasible. Our second choice is recycled paper made with **de-inked post-industrial recycled** fiber. If we cannot source a paper that is 100% recycled, we specify papers that contain **virgin fiber from non-endangered forests**, and we give preference to papers that are **FSC certified**. If we discover that paper we are using contains virgin fiber from endangered forests, we work to phase it out.

Paper-Use Philosophy – 3 Rs

Along with seeking to buy paper with high PCW content, we employ the 3 Rs.

Reduce. For catalogs, we print on the lightest weight paper feasible, which is determined by the quality of the print job. By using lighter weight paper, we use less paper.

We also encourage our employees to consider the need to print every project. For example, we ask whether a message to our customers can be communicated by email rather than by postcard. This not only saves forests, but also money. In our offices, we rely heavily on electronic bulletin boards, an intranet, PDFs, and email to reduce the use of paper in daily business operations.

Reuse. We have collection boxes for Good-On-One-Side (GOOS) paper, which has been printed on but still has a blank side. Feeding GOOS back into copiers and printers can be problematic, but it works well for note-taking. Our onsite childcare center also happily takes GOOS leftovers for its art projects. We use mailing boxes and envelopes over and over and over, placing them in mailing stations throughout our buildings.

Recycle. We ask our employees to recycle everything they can, including office paper, magazines, paper towels and cardboard. Every employee has a paper-recycling bin beneath their desk, which they transfer to larger ones placed at several strategic locations throughout our buildings. Trashcans are small and rather hard to find at Patagonia. Our bathrooms are equipped with recycling containers for used paper towels, which are made with 100% PCW paper. By buying recycled paper, we also help to promote a market for it, thereby expanding its availability, and one would hope, reducing its cost.

Overview of Our Paper Use

Catalogs. About 85% of the paper we buy goes into our catalogs. We buy most of our catalog paper from just a few mills, so it's pretty easy to track. Our main supplier, NewPage, strongly supports our goal of increasing the amount of PCW content in our paper and using only virgin fiber derived from non-endangered forests that's certified by the Forest Stewardship Council.



Thirty percent fewer trees go into making rolls of paper for Patagonia catalogs. Arandell Corporation. Menomonee Falls, Wisconsin. CHARLOTTE OVERBY

Body stock constitutes the lion's share of our catalog paper. Our has a 45-lb. basis weight, contains 30% PCW fiber and is FSC Chain of Custody (CoC) certified with virgin fiber from non-endangered forests. It's produced within 150 miles of our printing facility. We use cover stock that has a 100-lb. basis weight, contains 30% PCW fiber and is FSC CoC certified with virgin fiber from non-endangered forests.

As a point of reference, many publications use no recycled fiber. The more environmentally progressive ones use anywhere from 10-30% PCW. There are papers made in Europe with higher recycled content, but they do not meet our quality standards for lightweight coated stock. They also present unacceptable logistical challenges, and have to be shipped long distances, which can have significant environmental downsides.

Wise Use of Catalog Paper. As our company grows, so does our use of paper. This is particularly true when it comes to the number of catalogs we produce. We do, however, attempt to reduce print quantities by targeting appropriate audiences and selecting trim sizes that make efficient use of paper on press and at the mill. Many companies waste a great deal of paper by trimming their catalogs to achieve a certain size. We are committed to using high-impact image, design and copy to achieve distinction. And we work closely with our printer to minimize paper waste.

Working with Responsible Catalog Paper Suppliers. Paper manufacturers are important business partners. It is therefore crucial to us that the paper industry is healthy, both economically and environmentally. We prefer doing business with forward-looking suppliers who are open and proactive, and who are considered progressive by environmental groups looking at the

entire life cycle of paper. We seek relationships with suppliers who embrace the concept of a minimum-impact mill, which means a mill that seeks to:

- 1) Minimize the consumption of resources (wood, water, chemicals and energy);
- 2) Minimize the quantity and maximize the quality of releases to air, water and land;
- 3) Make investments consistent with those goals, for example de-inking facilities, technologies that reduce chlorine use, greenhouse gas-reducing enhancements and renewable energy systems.

We have chosen to work with mills located close to our printing facilities, which reduces the need for truck transport, one of the least efficient and most polluting methods of shipping.

We also extend these standards of environmental performance to the printers and merchants with whom we do business. We give preference to vendors who have achieved FSC CoC certification.

Shipping Boxes. We use cardboard boxes for larger shipments to our stores and dealers. Our most recent audit revealed that approximately 45% of them (by weight) are made with 100% recycled (95% PCW) cardboard. Roughly 50% contain 60% recycled (25% PCW) cardboard, 4% are made with 60% recycled (27% PCW), and 1% have 40% recycled content (27% PCW).

We looked into this disparity with our supplier, seeking to buy boxes that contain as much PCW fiber as possible. They explained that a certain amount of virgin fiber is necessary to ensure adequate box strength – particularly for larger boxes that carry heavier loads. To the extent that we do use virgin fiber, we ask that it not come from endangered forests.

Hangtags. Hangtags, which we attach to our garments, are 100% PCW.

Product Packaging. We use relatively little paper for product packaging. The paper we do use is made with 100% PCW fiber. Rather than offering paper gift-wrapping or boxes in our retail stores, we encourage customers to buy a gift bag made from our fabric overages that can be used again and again. Our retail sales associates do not automatically place customer purchases in paper bags. Instead they ask customers if they need one. When a

customer does ask for a paper bag, they get a sturdy, reusable one made with 100% recycled (100% PCW) paper.

Dealer Workbooks. We print about 4,000, 200-page dealer workbooks twice yearly on 100% recycled (50% PCW) FSC-certified paper. We were able to reduce the size of our workbooks by half by supplementing basic product information with more detailed info in PDF format circulated on memory sticks.

Marketing Materials. We produce marketing materials that include Patagonia store and tradeshow collateral, letterhead, business cards and brochures. All of these pieces are printed on 100% recycled paper (30-100% PCW).

Office Paper. Like any business, our office paper comes in many forms – from Post-It Notes to large format copier paper. We buy these products from a wide variety of vendors based on availability, price and delivery. A number of different people in the company purchase office paper. Some of them are in the U.S., some in Europe, some in Japan. This paper is by far the most difficult to track. Paper products in this category run the gamut from containing no recycled content to 100% PCW. Overall, we're doing pretty well. Our copier and printer paper is 100% PCW that's FSC certified and chlorine free. Paydays are always a bit of a paper waste, so last year we gave our U.S.-based employees the ability to substitute electronic pay statements for paper ones. About 30% went paperless.

Personal Hygiene Paper. We use paper towels in our bathrooms for drying hands. It contains 100% recycled content (70% PCW) and is unbleached. Our toilet paper is also 100% recycled, but bleached. Our paper seat covers are made with virgin fiber and bleached. We're looking into finding better alternatives.

Advertising. We use paper, albeit indirectly, when we advertise in publications. Therefore we like to spend our advertising dollars with the ones that use recycled paper. *Surfer*, *Surfer's Path* and *Alpinist* are two magazines leading the way. We have also partnered with other publications to help them find environmentally preferable paper options.


Patagonia Books™. As with all of our printed materials, we print our books using the most environmentally sound paper we can find. We always choose the highest percentage of PCW recycled

fibers appropriate for the specifications of each book. Also, we are now making all of our books available as ebooks.


Building Awareness

Congruent with the part of our mission statement that says, “use business to inspire and implement solutions to the environmental crisis,” we encourage our customers, business partners, industry colleagues and other important stakeholders to use paper wisely and to specify environmentally preferable paper. Our efforts include:

- Sharing our paper choices with competitors, consumers and industry colleagues.
- When purchasing advertising space, giving preference to publications that use recycled paper.
- Publishing a paper procurement policy and publicizing it.
- Printing a message in all of our catalogs encouraging customers to pass them on and then recycle them.
- Promoting recycled content and FSC certification whenever space allows, as seen below.



Paper Information
This entire catalog is printed in the USA on recycled paper that contains 30% post-consumer waste and is FSC-certified.

 **Please pass this catalog on or recycle it again.**

A Work in Progress

We still have work to do. Along with finding paper products that meet our environmental criteria, there are a number of things we currently print that could just as easily be paperless: pay stubs (we now offer a paperless, web-based option to employees), 401K statements and some office forms among them. We are aware of these shortcomings, as well as others, and are working to change them.

Recognizing Our Influence in Building Solutions

We also use our influence to protect ancient and endangered forests for generations to come by supporting nonprofit organizations working to curb the destruction and degradation of forests. In fiscal year 2012, Patagonia gave more than \$194,000 to grassroots, action-oriented groups working on forest-related environmental issues.

Helpful Links

Below you'll find links to the websites of some of the forest-protection groups Patagonia supports that are working to influence forest product use and procurement as a means of protecting trees. We've included a link to the Forest Stewardship Council and one to the Environmental Paper Network, which has a calculator that shows the benefits of using recycled paper. We also have listed our major paper suppliers. We encourage you to check them out.

Forest Stewardship Council: fsc.org

Environmental Paper Network: environmentalpaper.org

Environmental Defense Fund: edf.org

ForestEthics: forestethics.org

Natural Resources Defense Council: nrdc.org

Dogwood Alliance: dogwoodalliance.org

NewPage: newpagecorp.com

Midland Paper: midlandpaper.com

Mohawk Fine Papers: mohawkpaper.com

New Leaf Paper: newleafpaper.com

Strategic Paper Group: strategicpaper.com

Xpdex: xpedx.com

Canopy: canopyplanet.org