

# Patagonia's Packaging and Merchandising Principles

## Overview

Patagonia uses a variety of materials to transport, handle, store, protect and display our products. These materials accompany products from manufacturing site, through our distribution center and on to our retail stores and customers' homes. Packaging materials protect our products from damage and deterioration during storage, transportation and display. Merchandising materials accompany products in stores to convey relevant information to customers about the company and products. We recognize that there is a significant footprint associated with all of these materials and we are actively working to lessen these impacts through minimizing the amounts of materials and using environmentally and socially responsible materials.

These principles provide a road map for material sourcing and decision-making for all packaging and merchandising processes that fall under the control of Patagonia.

## Packaging and Merchandising Principles

The following is a set of overarching principles that guide the use and purchase of all packaging and merchandising materials:

### 1. Packaging Materials Use

- Work to reduce the amount of packaging material used for all purposes, implementing principles of simplicity and volume reduction.
- Maintain standardized packaging across multiple product lines and sales channels to use resources efficiently.
- Only implement packaging redesign when previous packaging inventory is exhausted in order to avoid waste.
- Perform a material assessment of all packaging materials to properly select materials that minimize environmental impacts throughout the life of the material. Prioritize materials that minimize volume; are derived from renewable, recycled or less-impactful materials; and can be reused, composted or recycled at the end of their useful life.
- Proactively work with vendors to minimize waste, water and energy used in the production and use of their products.
- Maximize postconsumer waste content in all packaging materials, working toward a goal of 100% recycled content while still maintaining material quality and functionality.
- All materials used must be 100% recyclable.
- When using wood-fiber products, strive for recycled content where possible. When recycled content is not available for intended purposes, all virgin wood content must be SFI® (Sustainable Forestry Initiative) or FSC® (Forest Stewardship Council) certified, with a preference given to FSC® certification. 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.
- All materials must meet the "Restricted Substances Guidelines" listed below.

### 2. Merchandising Materials Use

- Only replace fixtures when they can no longer be repaired or repurposed.
- Maintain standardized merchandising across multiple product lines and sales channels to use resources efficiently.
- Merchandising design should emphasize timelessness and flexibility of use. Longevity of fixture use significantly reduces the overall footprint of Patagonia's merchandising processes. Look to reuse and repurpose fixtures as much as possible.
- Perform an assessment of all merchandising materials to properly select materials that minimize environmental impacts throughout the life of the material. Prioritize materials that are reclaimed or made from recycled materials, and can be reused, composted or recycled at the end of their useful life.
- All materials used must be 100% recyclable.
- Work toward a goal of all materials and products being from reclaimed or 100% recycled inputs.
- Source merchandising fixtures locally, using reclaimed materials as much as possible.
- Proactively work with vendors who minimize waste, water and energy used in the production and use of their products.
- When using wood-fiber products, strive for recycled content where possible. When recycled content is not available for intended purposes, all virgin wood content must be SFI® (Sustainable Forestry Initiative) or FSC® (Forest Stewardship Council) certified, with a preference given to FSC® certification. 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.
- All materials must meet the "Restricted Substances Guidelines" listed below.

### 3. Restricted Substances Guidelines

- All materials must meet the Patagonia Restricted Substance List.
- The following substances are more common in packaging and merchandising materials and are specifically referenced here for decision-making purposes.

Do not use	Potential use	Alternative
PVC (polyvinyl chloride)	Banners, stickers, gift cards, folding boards	PVC-free materials, e.g., polyethylene-based plastics, especially those that are recycled
BPA (Bisphenol A)	Receipt paper, folding boards, certain plastics such as polycarbonate and epoxy	BPA-free paper and plastics
DMF (Dimethyl fumarate)	Silica desiccant packages, used for absorbing moisture and preventing mold	DMF-free silica desiccant packages
Hexavalent chromium	Chrome-plated merchandising fixtures	Trivalent chromium
PLA (polylactic acid) and any materials containing GMO feedstock	Bioplastic or compostable products, including gift cards, mannequin forms, hangers, cutlery, food storage containers	Recyclable plastics or bioplastics that are GMO-free