

Patagonia Packaging and Merchandising

Policy and Implementation Guidelines

PACKAGING AND MERCHANDISING SCOPE

Packaging is any product or material used to transport, handle, store, protect, display or sell Patagonia® products. Patagonia's packaging materials consist of paper hangtags, catalogs, paper sushi wraps, rubber bands, plastic t-bar tacks, shoe and wader boxes, cardboard shipping boxes, mailing envelopes, polybags, receipt paper, desiccants (silica sachets and packaging stickers), product labels, promotional stickers, hangers, mannequin forms, gift cards, merchandising display materials and café supplies (cutlery, to-go containers, napkins and paper towels). We track and record the use of these materials from Patagonia distribution centers to our stores and customers. *This policy addresses materials purchased by or for Patagonia's use and for processes that are conducted in Patagonia's owned-and-operated domestic facilities, including our Reno distribution center, Ventura headquarters and U.S. stores.*

PACKAGING AND MERCHANDISING PRINCIPLES

The purpose of packaging is to protect products from damage or deterioration during storage, transport and display; to provide appropriate information relevant to business processes, including shipping, distribution, inventory and sales; and to enhance consumers' interaction with our products. The purpose of merchandising is to convey information relevant to consumers about the company and its products.

Patagonia is working to minimize packaging for all applications, and identify and use less environmentally harmful materials, while still meeting our requirements for aesthetics, functionality and quality.

GENERAL GUIDELINES

- Use rolling changeovers and redesign packaging only when existing packaging inventory is exhausted to avoid waste.
- Maintain standardized packaging across multiple product lines and sales channels to use resources efficiently.
- Work with the environmental department to review the environmental impacts of packaging and merchandising materials (including multiple alternatives), and select materials that minimize environmental impacts. (See Patagonia Materials Sourcing policy.)
- Work with vendors to continually identify better packaging and merchandising options that reduce environmental impacts.
- Use only reusable and/or recyclable packaging materials as available and appropriate.
- Paper and plastic packaging should have the highest possible post-consumer waste (PCW) content that meets requirements for functionality and quality: Our goal is to use materials made from 100% recycled content.

- Purchase only responsibly sourced wood fiber products. All virgin wood content must be FSC® ([Forest Stewardship Council](#)) certified.
- 100% PCW recycled wood content must be FSC® or SFI® ([Sustainable Forestry Initiative](#)) certified. SFI is acceptable but FSC is preferred. (See [Patagonia Paper Policy](#)).
- Recycle and/or compost packaging and merchandising materials at the end of their useful lives in our stores and facilities.
- Establish regional hubs and use kitting companies to consolidate parts and minimize shipping of materials.
- Work with the environmental department to review all packaging and merchandising for chemical substance hazards. Avoid the use of any carcinogens ([IARC Group 1 or 2a](#)), high acute or chronic hazard substances, and endocrine-disrupting substances in packaging and merchandising.

The following chemical substances are prohibited from use in packaging and merchandising due to their potential hazards to human and/or environmental health.

Chemical	Where it could potentially be used	Alternative
PVC (polyvinyl chloride)	Banners, stickers, gift cards, folding boards	PVC-free materials, e.g., polyethylene-based plastics that are recyclable
BPA (Bisphenol A)	Receipt paper, folding boards, certain plastic such as polycarbonate and epoxy	BPA-free receipt paper
DMF (Dimethylfumarate)	Silica desiccant packages	DMF-free silica desiccant packages
PLA (polyactic acid) and other bioplastics	Bioplastic or compostable products, including gift cards, mannequin forms, hangers, cutlery, food storage containers	Recyclable plastic materials made from recycled materials
Materials containing GMO feedstock	Bioplastic or compostable products, including gift cards, mannequin forms, hangers, cutlery, food storage containers	Recyclable plastic materials made from recycled materials
Hexavalent chromium	Chrome-plated merchandising fixtures	Trivalent chromium

(source: <http://monographs.iarc.fr/ENG/Classification/ClassificationsGroupOrder.pdf>)

IMPLEMENTATION

Creative Services

- Maximize the yield on substrates and paper rolls when negotiating and evaluating end product.
- Request that materials not be shrink wrapped.
- Source hangtag paper with 100% PCW content.
- Source catalog paper with at least 30% PCW content and FSC certification.
- Use stickers to correct printing mistakes and avoid reprinting and associated waste.

- Continually seek increases in PCW content in paper and packaging products, and test when available.
- Review vendors' environmental practices, including FSC and SFI certification of their papers and waste management in their facilities, as part of the RFP process.
- Maximize use of recycled and recyclable materials for displays and point-of-purchase collateral.

Distribution Center

Use the most appropriate-sized packaging for each order to maximize the use of cargo space and reduce the carbon footprint of each shipment.

- Source shipping boxes made from responsibly sourced wood fiber products. All virgin wood content must be FSC certified. 100% PCW recycled wood content must be SFI or FSC certified.
- Reuse available cardboard cartons when shipping to wholesale, retail and international customers.
- Source mailing bags made of at least 40% post-consumer recycled plastic that can be reused at least once and are recyclable in a majority of U.S. communities.
- Forgo the use of packaging filler/dunnage in shipping. When filler is received, make it available for employees to use or for special projects.

Retail Operations

- Reuse poly bags for re-bagging clothing and stuffing dedicated merchandising bags for displays.
- Send excess poly bags to Reno DC from stores in the western half of the country and to Conigliaro Recycling in Framingham, MA, from stores in the eastern half.
- Ask customers if they would like a shopping bag, and charge a nominal fee to those who accept bags as part of "ban-the-bag" programs.
- Reuse cardboard boxes (including shoe and wader boxes) for shipping and backstock storage boxes; recycle unusable boxes.
- Ship used PETG gift cards weekly to Ventura corporate for recycling. Also ship old BioPVC gift cards to Ventura corporate where they will be stored until recycling becomes available. These should be sent monthly, and the PVC-free and BioPVC cards need to be separated.
- Eliminate printed receipts by offering to email customers electronic versions.
- Collect rubber bands from baselayer "sushi wrap" packaging and silicone hanger shoulder grippers for reuse.
- Dispose of silica desiccant sachets in the trash until a recycling solution is identified.
- Remove desiccant packaging stickers manufactured by MicroPak from Patagonia Footwear boxes at the point of purchase and recycle with #4 LDPE plastic, such as poly bags.
- Recycle and compost hangers, displays and POP as identified by the Creative Services and Visual Design departments.
- Collect and return sock hangers to Nester Hosiery.

Visual Merchandising

- POP should be:

- Lightweight and easily shipped
- Locally recyclable
- Flexible, multipurpose and acceptable for reuse
 - Use paper signs on racks that can be easily switched to accommodate multiple products
 - Use timeless designs that can be reused over the years
 - Repairable, including access to replacement parts
- Mannequins should be:
 - Locally recyclable, including forms and bases
 - Lightweight
 - Repairable
- Hangers should be:
 - Compostable (wood) and/or recyclable (hooks and/or main frame)
 - Used water-based adhesives
 - Lightweight
 - Repairable
 - Evaluated for durability
 - If virgin wood is used it should be FSC certified
- Promotional Materials (stickers, lip balm, Frisbees®, canvas bags, sunblock, patches, pins) should be:
 - PVC-free whenever possible
 - Use 100% recycled plastic whenever possible
 - Use organic ingredients whenever possible

Cafés and Events

- Use reusable containers and cutlery (silverware and flatware) whenever feasible.
- Disposable containers and supplies should be recyclable and contain recycled content.
- Don't purchase supplies that contain bioplastic.
- Café facilities and events should support and provide education on recycling and composting with clearly labeled bins and instructions on how to use them.

Social and Environmental Responsibility Department

- Compile an annual report that specifies the type and quantity of all packaging and merchandising materials used over the previous fiscal year.
- Identify the packaging and merchandising materials in current use by our international offices and retail locations and the availability of alternatives in those locations.
- Establish a restricted substances list for global packaging and merchandising materials purchased by Patagonia and by Patagonia's supply chain partners.
- Create packaging guidelines for our factory partners and implementing contracts that require partners to purchase packaging materials that meet the guidelines.
- Establish methodology for reducing the mass of plastic used in polybags.

Outside Vendors

- Request that minimal packaging filler and dunnage be used when shipping to Patagonia.
- Request that materials used in VAS (Value Added Services) program be recyclable and comply with Patagonia packaging policy.
- Request membership in 1% for the Planet.