

PATAGONIA TRACEABLE DOWN STANDARD

I. INTRODUCTION

Patagonia sources down, which is a highly effective insulation material. Down is considered a by-product of the waterfowl meat industry where the meat is the primary source of revenue. Nonetheless, brands making products using down have an impact on the welfare of animals, the environment, and the communities in their down supply chain.

Patagonia has established clear standards and a robust methodology for sourcing down in an effort to prevent unnecessary harm to the animals involved, thereby, affecting the environment and the communities in which we operate. Our Traceable Down standard was driven by our company's values, local and international regulations, consumers and NGO groups. The standard was created to ensure all independent third-party verification and certification audits are completed to the same principles, scope, and methodology.

Patagonia acknowledges that implementing a Traceable Down standard is new to some suppliers. We are committed to working closely with them to continuously improve their systems. In turn, suppliers must demonstrate full transparency and commitment to continuous improvement in order to remain a Patagonia Traceable Down supplier. Through this partnership, we can provide consumers with the most transparent and robust contents claims assurance available in the industry.

This standard is the framework of Patagonia's down supply chain animal welfare and traceable content claims assurance program. This standard will be revised as new traceability and animal welfare legislation and best practices emerge.

II. PRINCIPLES

Below are the principles that form the basis of Patagonia's Traceable Down standard.

- A. Down and feather must not be removed from live animals. Animals must not have been live plucked or molt harvested at any stage in the supply chain.
- B. Down and feather must not be from animals that are force fed during their life for any reason including the production of foie gras.
- C. Principles A and B are zero-tolerance issues and must be met in order to become or continue to be a Patagonia Traceable Down supplier.
- D. All suppliers must meet or exceed local regulations for animal welfare farming and processing of animals and animal products. Where law is silent, best practices based on International Finance Corporation Good Practice Note on Animal Welfare in Livestock Operations shall be followed (see summary in Appendix B).

- E. All levels of the down supply chain must maintain records that prove chain of custody.
- F. All new down supply chains must undergo and pass a full traceability internal audit and a third-party verification audit prior to incorporating the material within our Traceable Down product line.
- G. All approved Traceable Down suppliers are subject to announced and unannounced re-audits to verify sustainable remediation of identified corrective actions.
- H. Third-party verification and certification audits must be based on Textile Exchange Content Claims Standard or another traceability standard pre-approved by Patagonia.
- I. All links in the supply chain must also adhere to our Code of Conduct standards and benchmarks on animal welfare and traceability (see appendix A).
- J. Suppliers must demonstrate full transparency and commitment to continuous improvement in order to remain a Patagonia Traceable Down supplier.
- K. Patagonia's approach to Traceable Down standard implementation is one of collaboration and mutual respect with a focus on education, transparency and sustainable remediation.

III. SCOPE OF STANDARD

Patagonia believes in providing our customers with the highest assurance that the down in their garments comes from a responsible source that respects animal welfare. The only way to achieve this is to evaluate every link in the supply chain from the parent farm to the garment factory for: 1. animal welfare including non-force feeding and non-live plucking, 2. traceability management systems including documents showing an unbroken chain of custody of the down.

- **Animal Welfare** : The Traceable Down standard provides product content claims assurance that down and feather material have been produced without causing unnecessary harm to animals and focuses on compliance with local legal animal welfare regulations and ensuring that our down does not come from farms that engage in force feeding or live plucking. Animal welfare is evaluated from the parent farm through to the slaughterhouse.
- **Traceability**: The Traceable Down standard looks for and evaluates traceability systems in place throughout the entire supply chain, including, but not limited to, parent farms, hatcheries, breeding and intermediary farms, slaughterhouses, down processors, down wholesalers, and garment factories and assesses the following critical important areas:
 - Traceability management systems, which includes: policies, procedures, accountability, training, implementation, communication, monitoring, and continuous improvement.
 - Linking chain of custody documents from parent farm to finished goods factory.

- Labeling Traceable Down at every stage of the supply chain.
 - Segregation/Separation of Traceable Down at every level of the supply chain.
 - Management and worker training and education at every level of the supply chain.
 - Visual verification of animal welfare at time of time of bird raising and slaughtering, including no force feeding or live plucking.
 - Animal welfare local legal compliance and, where law is silent, best practices based on International Finance Corporation Good Practice Note on Animal Welfare in Livestock Operations (see summary in Appendix B)
 - The standard does not measure the performance or quality of the down. Quality is addressed separately.
- **Supplier Education**
Education of our suppliers regarding good traceability and animal welfare practices is key to the success of our standard. Training and education occur throughout the business partnership, including during assessments at every level in the supply chain. Education includes guidance on how to improve supplier's traceability and animal welfare systems, and fosters sharing of best practices within and between supply chain links.
 - **Note on Collector-Based Supply Chains:** At this time, Patagonia does not accept collector-based down in our Traceable Down supply chain, thus it is currently out of scope. Collector-based supply chains are usually found within the informal sectors of a given country and would require a change in culture as well as business practices. Should Patagonia decide to expand into collector-based supply chains, we would update this standard.

III. AUDIT METHODOLOGY

The following are key components to the audit methodology used when assessing our down supply chain for traceability and animal welfare. Our approach is one of collaboration and mutual respect with a focus on education and sustainable remediation:

PRE-AUDIT PREPARATION

- Local law and animal welfare research is conducted in preparation for the Traceable Down audit.
- All down supply chain sites are disclosed by the direct supplier to Patagonia so a third-party auditor can strategically select sites to visit.
- Patagonia and our selected third-party expert educate suppliers on our standards and what to expect during audits.

VISUAL INSPECTION

- Visual inspections of the treatment of birds and their environment are conducted at strategically sampled sites from parent farms to slaughterhouses.
- Strategically sampled slaughterhouses and processors are visually inspected for labeling, segregation, separation, and process implementation.

- All garment factories are visually inspected for labeling, segregation, separation, and process implementation.

DOCUMENT REVIEW

- Review of all relevant chain of custody documentation, animal welfare legal compliance documents and other paperwork at each level in the supply chain that prove the presence of traceability management systems and employee training.

MANAGEMENT & WORKER INTERVIEWS

- Private management and worker interviews in the local language at all levels of the supply chain to assess proper implementation of traceability policies, procedures, documentation, training and animal welfare legal compliance.

IV. SUPPLY CHAIN APPLICABILITY AND REQUIREMENTS

A. Farms

Parent farms, hatcheries and breeding farms that raise animals until they are ready for slaughter, processing as meat products, down and feather, and other by-products.

Requirements

1. Farms must be audited and verified to the Traceable Down standard.
2. Down and feather must not be removed from live animals. Animals must not have been live plucked or molt harvested at any stage in the supply chain.
3. Animals are not force fed for any reason including the production of foie gras.
4. Documentation from local government authorities indicating that local animal welfare regulations are met or exceeded must be provided.
5. Chain of custody documentation showing the movement of eggs or birds from farm to farm is maintained onsite and available for review by the traceability auditors.
6. Announced and unannounced visits from auditors and Patagonia representatives are allowed.
7. Full access to all sites, buildings and operations are permitted, and private interviews with workers are allowed.
8. Farms must be committed to continuous improvement and implement all corrective action items found in the audit process in a mutually agreed upon timeframe.

B. Slaughterhouses

Purchase live animals from farms and process them into meat products, raw feather and down, and other by-products. Washes and sterilizes raw feather and down and sells to down processors.

Requirements

1. Slaughterhouses must be audited and verified to the Traceable Down standard.
2. Down and feather must not be removed from live animals. Animals must not have been live plucked, or molt harvested at any stage in the supply chain.
3. Material that has been removed from live animals is not collected, purchased or sold as Traceable Down.
4. Animals being processed have not been force fed for any reason, including the production of foie gras.
5. Documentation from local government authorities indicating that local animal welfare regulations are met or exceeded must be provided.
6. Chain of custody documentation showing the movement of birds from farm to slaughterhouse, and of feathers from slaughterhouse to processors, is maintained onsite and available for review by the traceability auditors.
7. Announced and unannounced visits from auditors and Patagonia representatives are allowed.
8. Full access to all buildings and operations are permitted, and private interviews with workers are allowed.
9. At a minimum, slaughterhouses shall have fully mapped all farm sites that supply birds and maintain adequate documentation on site to prove they do not accept live plucked or force fed birds. As an added measure, slaughterhouses shall have, or shall work toward implementing, written contracts with all supplying farms. Contracts must contain language that requires the farms to not live pluck or force feed the birds.
10. All documentation must be available for review by the auditors.
11. Slaughter houses must be committed to continuous improvement and implement all corrective action items found in the audit process in a mutually agreed upon timeframe.

C. Down Processors

Purchases washed down from slaughterhouses and further washes, sterilizes, and sorts it to sell to down wholesalers.

Requirements

1. Down processors must be audited and verified to the Traceable Down standard.
2. Down processor is pre-approved by Patagonia and agrees to follow and implement the Traceable Down standard throughout its supply chain.
3. For all Traceable Down materials and products, down processors must only use input materials verified to the Traceable Down standard.
4. If the down processor purchases or sells material that is removed from live animals and/or from animals force fed for the production of foie gras, the Traceable Down material must be segregated during all phases of processing, including arrival of raw material to the facility through to shipping to next location. The down processor must visually show segregation through labeling and or other clear identification methods in the storage areas, on

machinery and during facility down material entry and exiting processes. Relevant written policies and procedures, chain of custody documentation, and employee training must also be maintained on site.

5. Down processor maintains contracts with all local and international processing facilities and slaughterhouses supplying raw and/or washed down. Contract shall contain language creating awareness that certain customers have requirements that animals are not live plucked, molt harvested or force fed, and that local regulations regarding animal welfare are met. Down processor provides the above documentation for verification during the audit.
6. Announced and unannounced visits from auditors and Patagonia representatives are allowed.
7. Full access to all buildings and operations are permitted, and private interviews with workers are allowed.
8. Processors must allow random testing at Patagonia's request for evidence of live plucking.
9. Processors must be committed to continuous improvement and implement all corrective action items found in the audit process in a mutually agreed upon timeframe.

D. Down Wholesalers

Purchases washed and sorted down, further washes, sterilizes, sorts it, and sells finished down to garment factories.

Requirements

1. Down wholesaler must be audited and verified to the Traceable Down standard.
2. Down wholesaler is pre-approved by Patagonia and agrees to follow and implement the Traceable Down standard throughout its supply chain.
3. For all Traceable Down materials and products, down wholesaler must only use input materials verified through the Traceable Down standard.
4. If the down wholesaler purchases or sells material that is removed from live animals and/or from animals force fed for the production of foie gras, the Traceable Down material must be segregated during all phases of processing, including arrival of raw material to the facility through shipping to next location. The down wholesaler must visually show segregation through labeling and or other clear identification methods in the storage areas, on machinery and during facility entry and exiting processing. Relevant written policies and procedures, chain of custody documentation and employee training must also be maintained on site.
5. Down wholesaler maintains contracts with all local and international processing facilities and slaughterhouses supplying raw and/or washed down. Contract shall contain language creating awareness that certain customers have requirements that animals are not live plucked, molt harvested or force fed and that local regulations regarding animal welfare are met. Down wholesaler provide this documentation for verification during the audit.
6. Announced and unannounced visits from auditors and Patagonia representatives are allowed.

7. Full access to all buildings and operations are permitted, and private interviews with workers are allowed.
8. Wholesaler must allow random testing for evidence of live plucking based on the risk of their supply chain.
9. Wholesaler must be committed to continuous improvement and implement all corrective action items found in the audit process in a mutually agreed upon timeframe.
10. Down wholesaler must ensure clear communication and education on Traceable Down standards through all levels of the supply chain, and where applicable, must also facilitate and manage the audit corrective action plan process throughout the supply chain, including its own sites.

E. Garment Factory

Purchases finished Patagonia Traceable Down material, manufactures it into garments, and sells these products to Patagonia.

Requirements

1. Factory must be audited and verified to the Traceable Down standard.
2. Factory is pre-approved by Patagonia and agrees to follow and implement the traceable Down standard throughout its supply chain.
3. For all Traceable Down materials and products, factory must only use input materials verified through the Traceable Down standard.
4. The production of garments using Traceable Down material must be well labeled and segregated during all phases of production from down material entry through packing the garments for shipment.
5. Workers using Traceable Down during production must be trained on traceability processes for garment factories set forth by Patagonia and on segregation methods to prevent mixing with non-traceable down from their other customers. These required traceability processes include, but are not limited to:
 - A. Factory will issue purchase order to down suppliers requiring they fill Patagonia's orders separately from those of other brands.
 - B. When Patagonia's Traceable down shipments are delivered to the factory, material will be stored and processed separately from shipments of other brands.
 - C. Factories shall maintain the following documents for each Patagonia Traceable Down order:
 - i. Factory PO to Patagonia Traceable Down supplier
 - ii. Copies of suppliers' invoices, packing lists and import documents
 - iii. Supplier's production lot number is clearly indicated in documentation provided
 - iv. Factory receiving records
 - v. Factory's storage and segregation records of received material
 - vi. Up to date exit records of Traceable Down material from storage room to production line
 - vii. Logs identifying garment style numbers being produced with specific shipment material

- viii. Factory-created and implemented worker training materials regarding Patagonia's traceability processes
 - ix. All documents shall be available on site and provided to the auditor or any Patagonia personnel for review.
6. Factory maintains up to date worker training attendance logs and conducts new-hire training and refresher trainings every 6 months or as needed.
 7. If raw down materials and/or finished goods down products are moved for storage into a location separate from the approved facility, Patagonia's Sourcing and Social and Environmental Responsibility departments must be notified before the move takes place. The new storage site must be assessed prior to placing the raw materials or finished products there.
 8. Announced and unannounced visits from auditors and Patagonia representatives are allowed.
 9. Full access to all buildings and operations are permitted and private interviews of workers are allowed.
 10. Factory must be committed to continuous improvement and implement all corrective action items found in the audit process in a mutually agreed upon timeframe.

APPENDIX A

Patagonia Supplier Code of Conduct Animal Welfare and Traceability Requirements

XV. ANIMAL WELFARE: (AW) WORKPLACE CODE PROVISION: Suppliers must respect animal welfare and work progressively towards adopting healthy and humane practices towards animals based on best available technology and standards.	
AW.1.1	All suppliers must adopt healthy and humane practices that respect animal welfare and are based on best practice.
AW.1.2	Upon request, suppliers must provide documentation and/or allow audits of their supply chain regarding animal welfare due diligence.

XVI. TRACEABILITY: (TRC) WORKPLACE CODE PROVISION: Patagonia and our suppliers are jointly responsible for ensuring social and environmental responsibility and the integrity of our product content claims from the farm through the finished goods factory level. The only way to work towards this goal is to have transparency and traceability of the full supply chain for each product. Patagonia requires suppliers to map and continuously track and monitor all locations in all levels of their supply chain and upon request provides transparency information into the owned and/or subcontracted farms, mills, plants, factories and other sites that are involved in the production of our products.	
TRC.1.1	All suppliers must adopt policies and procedures, including tracking and training to facilitate transparency and traceability in their supply chain.
TRC.1.2	The facility shall maintain on site all valid, up-to-date, and applicable certificates, transaction records and other documentation related to materials or finished product traceability.
TRC.1.3	Where requested by Patagonia or required by industry, suppliers must obtain the correct industry certifications needed to prove content claims (example: organic cotton certificate) and provide this documentation to Patagonia as requested.
TRC.1.4	Upon request, suppliers must provide documentation and/or allow audits of their supply chain regarding traceability and product content claims.

APPENDIX B

Summary of Best Practice Animal Welfare Standards

The following best practices in animal welfare were taken from the International Finance Corporation's Good Practice Note on Animal Welfare in Livestock Operations. Where local law is silent, the Patagonia Traceable Down standard uses the IFC's standards as the basis for the evaluation of animal welfare. The higher standard more in favor of the animals is applied.

Feed and Water	
	Animals should receive a daily diet adequate in composition, quantity and containing appropriate nutrients to maintain good health, meet their physiological requirements and avoid metabolic and nutritional disorders.
	Animals should have an adequate daily supply of water that is palatable and not harmful to their health.
	Food and water should be provided in such a way that all animals have an opportunity to feed or drink without undue competition and injury.
Housing Systems	
	Animal accommodation should be designed, constructed and maintained to allow all animals space to stand, turn around, stretch, sit and/or lie down comfortably at the same time. They should also allow all animals to directly interact with herd or flock mates, unless isolated for veterinary reasons. All animals should have access to a clean and dry place.
	Effluent and waste should not be allowed to build up where it leads to discomfort and compromised welfare.
	Animals should be protected from extreme temperatures or abrupt temperature fluctuations, cold draughts and from predators, vermin and excessive noise.
	Animals with access to, or living, outdoors should have access to shade and shelter and protection from predators.
Husbandry Practices	
	Handling and restraining techniques should minimize distress and avoid injury.
Health & Disease	
	Personnel responsible for the care and management of animals should have an appropriate level of knowledge of the normal health and behavior of the animals in their care so as to be able to recognize poor health and welfare.
	Animals should be inspected regularly, at least daily, and more frequently during periods of significant risk to health and welfare.
	Animals must be maintained in good body condition and remedial action (veterinary attention, improved nutrition or husbandry) taken when in poor condition, or when there are signs of significant distress, ill-health, disease or injury.
Transport	
	Animals should be neither too loosely nor too tightly loaded so as to reduce the risk of excessive movement or overcrowding resulting in injury.

	During transport, animals should be protected from extremes of heat and cold and provided with adequate ventilation.
Slaughter	
	Prior to slaughter, proper handling techniques and lighting, space and ventilation should be used to keep the animals calm.
	Animals should be slaughtered as soon as possible after arriving at the slaughter facility. In cases where animals are kept for long periods prior to slaughter, feed and water must be provided.
	All animals must be handled and restrained, rendered unconscious and slaughtered in the least distressing and most pain-free manner possible by trained and competent staff. All animals should be rendered unconscious by a means which causes unconsciousness to persist until death occurs.

The full document can be found at this link:

http://www.ifc.org/wps/wcm/connect/7ce6d2804885589a80bcd26a6515bb18/AnimalWelfare_GPN.pdf?MOD=AJPERES&CACHEID=7ce6d2804885589a80bcd26a6515bb18