



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 use and procurement of paper.

Our company makes clothing for outdoor pursuits: climbing, surfing, skiing, fly-fishing, trail running ... Many who work here practice these 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 companies, clearcutting is the most expedient and cost-effective method of converting trees to logs. This worldwide practice results in



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

JIM LITTLE

the deforestation of vast tracts of wild forest, which are later 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 some of the world’s endangered forests, which contain most of the world’s remaining old-growth, primary and ancient trees. They include such magnificent places as the Great Bear, Tongass and Inland forests of British Columbia, North America’s Boreal and forests in the Sierra Nevada, as well as Chile’s *alerce* and *araucaria araucaria* 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. The manufacture of clothing is a surprisingly dirty business that uses chemicals, oil and a lot of other natural resources. We have been working for quite some time to mitigate our impacts. We introduced recycled polyester into our clothing line in 1992, adopted the exclusive use of organically grown cotton in 1996, and seek to employ environmentally sensitive processes wherever feasible. We also try to reduce some of the harm we cause from using paper.

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 recycled (PCR) 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 deep and longstanding concern for the environment, our paper use and procurement standards are some of the highest in the catalog industry. That said, they could be better and we're working to improve them. We encourage you as a company 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 recycled** 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 PCR content, we employ the 3 Rs.

Reduce. For catalogs, we print on the lightest weight paper feasible, which is determined by the required quality of the print job. By using lighter weight paper, we use less paper. In the past, we switched from paper with a 50-lb. basis weight to 45 lbs. with minimal impact on quality. By reducing the basis weight 10%, we estimate we've saved approximately 1,170 tons of paper. That's equivalent to approximately 19,374 trees that are 40-foot tall and 6 to 8 inches in diameter.

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 to avoid using paper. 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 encourage employees to print on both sides of a piece of paper. We also 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 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. Trash cans are small and rather hard to find at Patagonia. 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, Rol-

land, strongly believes in higher PCR content and using only virgin fiber derived from non-endangered forests that are certified by the Forest Stewardship Council.



No new 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. Ours has a 50-lb. basis weight, contains 100% PCR fiber processed chlorine free and is FSC Chain of Custody (CoC) certified with 100% PCR fiber from the "urban forest". We use cover stock that has a 80-lb. basis weight, and also contains 100% PCR fiber processed chlorine free and is FSC Chain of Custody (CoC) certified. Both grades are produced within 1,000 miles of our printing facility.

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 forwardlooking 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 deinking facilities, technologies that reduce chlorine use, greenhouse gas-reducing enhancements and renewable energy systems.

The mill we choose for our catalog paper is powered by BioGas energy captured from a nearby landfill and piped directly to the mill. This is the most innovative approach being used in the industry to reduce emissions, as it captures methane (a powerful greenhouse gas, many times more damaging than CO₂) from decomposing waste that would otherwise escape into the atmosphere, and instead uses it to produce energy for manufacturing paper.

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.

Cardboard Boxes. We use cardboard boxes for larger shipments to our stores and dealers. Our paper audit revealed we have some work to do in this category. We discovered that roughly half of the boxes we buy for outbound shipping are made with 100% PCR cardboard. But the other half contain only 65% recycled cardboard, 35% of which is PCR.

We are looking into this disparity and working with our supplier to buy boxes that contain as much PCR fiber as possible. Unfortunately, a certain amount of virgin fiber is often necessary to ensure adequate box strength. To the extent that we do use virgin fiber, we are specifying that it not come from endangered forests.

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

Product Packaging. We use relatively little paper for product packaging. The paper we do use is made with 100% PCR 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 (95% PCR) paper.

Marketing Materials. In addition to catalogs, we produce marketing materials that include wholesale dealer workbooks, store and trade-show materials, letterhead and brochures. Many of these pieces are printed on 100% PCR paper. If not, we ensure that the virgin fiber does not come from endangered forests and we give preference to papers that are FSC® certified.

Office & Personal Hygiene Paper. Like any business, our office and personal hygiene 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 United States, some in Europe, some in Japan. This paper is by far the most difficult to track. Our recent paper audit showed us that paper products in this category run the gamut from containing no recycled content to 100% PCR. Overall, we're doing pretty well. Most of our copier and printer paper is 100% PCR. But our audit left us with a number of unanswered questions and showed some less than ideal purchasing practices. So we definitely have more work to do.

Advertising. We also 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*, *Alpinist* and *Climbing* are a few examples of magazines leading the way. We have also partnered with other publications to help them find environmentally preferable paper options.

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.



A Work in Progress

As we mentioned before, 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.

Helpful Links

Below you'll find links to the websites of some of the forest-protection groups Patagonia supports that are working to influence paper use and procurement as a means of protecting trees. We've included a link to the Forest Stewardship Council® and one to the Environmental Defense Fund, 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 Defense Fund: edf.org

ForestEthics: forestethics.org

Natural Resources Defense Council: nrdc.org

Dogwood Alliance: dogwoodalliance.org

Mohawk Fine Papers: mohawkpaper.com

New Leaf Paper: newleafpaper.com

Rolland Enterprises: rollandinc.com

Neenah Paper: neenahpaper.com

Midland Paper: midlandpaper.com