Product Sustainability Guidebook
Product Sustainability at REI

• Products represent REI’s biggest impact on the health of the outdoors and thus present a significant opportunity to elevate sustainability at the co-op.

• Our members expect us to bring them gear that was made in a way that honors their values.

• By working in collaboration with our brand partners, we amplify our potential for positive impact.

• REI’s product sustainability efforts encompass the following key elements:

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<tr>
<th>Fair &amp; Safe Supply Chains</th>
<th>Chemicals Management</th>
<th>Animal Welfare</th>
<th>Land Stewardship</th>
<th>Environmental Management</th>
</tr>
</thead>
</table>

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REI Product Sustainability Standards

The REI Product Sustainability Standards apply to all brands and products sold at the co-op. The standards consist of:

- **Brand expectations**: REI’s core expectations of all brands sold at REI regarding key environmental, social and/or animal welfare impacts.

- **Preferred attributes**: Leading certifications and material types that REI has determined to be most credible, relevant and impactful in advancing sustainability across REI’s offering.

We ask that brand partners review the standards and align with applicable brand expectations. We also encourage brands to integrate the preferred attributes into their products as appropriate for their brand.

**Guidance resources**
REI partnered with the Outdoor Industry Association (OIA) to host a series of webinars that provide brand partners with an overview of REI’s standards and highlight resources for brands aiming to improve their sustainability performance.
Highlighting Sustainability to REI Members

• REI’s customers seek to embody sustainability in their daily lives and consider sustainability in their shopping decisions. Products with sustainability attributes sold at REI have also been shown to sell better, earn better product reviews and support customer loyalty. This is one of many ways REI supports customers in fighting for life outdoors.

• To support our members in shopping their values at REI, we will track and highlight preferred product sustainability attributes for our customers.

• REI is also focused on educating our members and customers about key sustainability issues via REI Expert Advice articles, sustainability-related content on the Co-op Journal and other resources.

• We support transparency, and brand partners are encouraged to publicly share information about their sustainability practices and policies.

REI asks our brand partners to...

1. Communicate to REI’s merchants about their product sustainability efforts, including which products that they bring to REI have each of the preferred sustainability attributes.

2. Indicate via their product information submission which of their products have each of the preferred attributes so that we can highlight that information for REI’s customers.

3. Ensure their environmental marketing claims abide by the guidance outlined in the Federal Trade Commission’s Green Guides.
The Root Award

REI is proud to sell products from many brands that are leaders in product sustainability. In 2016, we launched the Root Award to highlight the great work that brands are doing to bring more sustainable products to REI’s customers. The Root Award honors the most innovative, responsibly designed new product sold at REI each year.

Which products are eligible?

• New products sold at REI

Award Criteria

- Degree of sustainability innovation
- Contribution to solving an industry-wide sustainability challenge
- Alignment with REI’s Better Materials and Gear That Lasts focus areas
- Product scalability (including technical feasibility, cost, performance, customer affinity, etc.)

How are products nominated?

• REI employees nominate products for the Root Award, and brand partners can nominate products via the Root Award nomination form.
Resources for Performance Improvement

Brands can utilize the following resources to improve their sustainability performance. Additional resources are highlighted throughout this guidebook.

The Higg Index

The Higg Index is a suite of sustainability assessment tools that brands can use to assess sustainability at the brand, supply chain and product levels to identify areas for improvement. REI and many of our brand partners use the Higg Index. You can find more information in the Higg Index section of this guidebook.

OIA Guidance Resources

REI has partnered with the Outdoor Industry Association (OIA) to develop resources that provide guidance to brands seeking to improve their sustainability performance. These documents cover topics such as RSL and manufacturing code of conduct implementation, chemicals of concern, and animal welfare, Additional guidance materials can also be found here.
Product Sustainability Questionnaire

• REI utilizes our Product Sustainability Questionnaire to track the state of sustainability – including implementation of our product sustainability standards – across all brands and products sold at REI.

• The questionnaire also helps REI identify how we can most effectively engage with our brand partners to elevate sustainability.

• The questionnaire is sent annually to REI brand partners. Anonymized, aggregate results from the questionnaire may be shared with REI’s members and brand partners.

• A recap of the prior year’s REI Product Sustainability Questionnaire is available on the REI Partners Site.
The Higg Index

What is it and why is it important?

• The Sustainable Apparel Coalition’s (SAC) Higg Index is a suite of sustainability tools intended to assess and drive environmental and social sustainability. It consists of various “modules” – or tools – that brands, retailers, manufacturers, product designers and other value chain partners can use to understand their sustainability performance and identify opportunities to improve.

• The Higg Index is currently being widely adopted within the global apparel, footwear and textiles industries, and many view the tool as a uniquely promising opportunity for these industries and others to align with a common direction for measuring and improving sustainability.

• While the Higg Index is currently optimized for use in the categories of apparel, footwear and textiles, some brands have begun to use it in other categories, with positive results. REI is partnering with the SAC to contribute to the evolution of the Higg Index, and we are advocating for its expansion to additional categories.

• You can find more information about the Higg Index here.

How does REI use the Higg Index?

• REI uses the Higg Index assessment to measure sustainability performance within the REI brand and across our broader product offering.

• REI completes the Higg Index brand assessment annually, and we will ask our brand partners in applicable categories to complete the assessment annually and share the results with us.

• In addition, REI uses the Higg Index Facility Module with our strategic suppliers that manufacture products for REI’s Co-op Brands.

• We will continue to adopt other relevant Higg Index tools as they become commercially viable.

• There are plans for Higg Index data to become public-facing in the coming years. We believe this will provide an opportunity to enhance the way we communicate about sustainability to our customers, and we look forward to exploring how to use the Higg Index to do so more effectively.
Fair & Safe Supply Chains: The Basics

**Manufacturing Code of Conduct:** A document that outlines the standards of workplace conduct for the factories that manufacture a brand’s products. An effective code of conduct should be aligned with internationally recognized fair labor standards, such as those outlined by the International Labour Organization (ILO). Please review REI’s product sustainability standards for more information about REI’s expectations related to brand partners having in place a manufacturing code of conduct.

Guidance resources
Brands can refer to the OIA’s [Social Responsibility 101: Manufacturing Code of Conduct](#) guide for information on implementing a manufacturing code of conduct in the supply chain. In addition, the OIA’s [Social Responsibility Toolkit 2.0](#) is a resource that brands can use to build out and continuously improve their social responsibility programs.

An effective social responsibility program should also (a) uphold the standards outlined in the manufacturing code of conduct and (b) promote continuous improvement of labor conditions in their supply chain through proactive engagement with suppliers, supply chain monitoring and other mechanisms.

**How does REI’s Private Brands approach this topic?**
REI’s [Factory Code of Conduct](#) is based on ILO principles and internationally accepted fair labor practices. REI’s Fair Labor program is focused on upholding the standards in our code of conduct and elevating labor conditions in our supply chain through audits, supplier training and collaboration, and other initiatives.
Restricted Substances List (RSL): A document that specifies which substances are banned or restricted in the products sold by a brand. Brands should consider aligning their RSL with a credible, widely recognized, third-party RSL. Please review REI’s Product Sustainability Standards for more information about REI’s expectations related to brand partners having an RSL in place.

An RSL is a foundational component of an effective chemicals management program, which should include a means of ensuring RSL compliance. More advanced programs also utilize input-stream management, which proactively ensures that chemicals are selected with due diligence. This significantly reduces many of the challenges associated with chemicals management by preventing chemicals of concern from entering the manufacturing process in the first place.

How does REI’s Co-op Brands approach this topic?
The REI Restricted Substances List specifies which substances are banned or restricted in the product manufacturing process and in finished products sold under the REI Co-op and Co-op Cycles brands. Our RSL is based on the bluesign® system, current legal restrictions and additional requirements voluntarily adopted by REI. REI utilizes risk-based RSL testing, supplier engagement and training, and the selective phase-out of high-risk substances to promote continuous improvement in chemicals management performance in our supply chain.

Guidance resources
Brands can refer to the OIA’s Chemicals Management 101: RSL guide for guidance on implementing an RSL. In addition, brands can refer to the OIA’s Chemicals of Concern 101 and Chemicals Management “Getting Started” guides for additional information on transitioning to better chemistry and continuously improving their chemicals management programs.
REI is collaborating with brand partners to proactively address key chemical impacts associated with outdoor products. These impacts are described below. Please review REI’s Product Sustainability Standards for more information about REI’s expectations related to the use of these chemicals in specific product categories. REI’s expectations regarding the use of these chemicals and others will evolve on an ongoing basis as effective methods are identified to address key chemical impacts in various product categories.

- **Bisphenol A (BPA)**: BPA is an industrial chemical used with certain types of plastic and coatings, including those used in plastic water bottles and in the linings of food containers. Research indicates that exposure to BPA may be linked to a variety of human health risks. REI began phasing out products containing BPA when concerns related to BPA became widely known, and REI has established a brand expectation that all products meant to come in direct contact with food or liquids for human consumption be free of BPA. For more information, review the Centers for Disease Control and Prevention’s (CDC) Factsheet on BPA.

- **Per- and polyfluoroalkyl substances (PFASs)**: PFASs make up a class of chemicals that impart oil-, stain- and water-repellency to a variety of different materials, often in the form of durable water repellent (DWR) finishes applied to outdoor clothing and gear. Certain PFASs are persistent in the environment, bioaccumulative in wildlife and humans, and toxic. Concerns about the use of long-chain PFASs have led some brands to transition to short-chain PFAS options, which are generally considered to be less toxic and bioaccumulative. REI believes the transition to short-chain PFASs represents a positive stepping stone as alternatives are developed and become commercially viable. REI has established a brand expectation that apparel products be free of long-chain PFASs and intends to address the use of PFASs – long-chain and short-chain – more broadly across various product categories over time. For more information, review the OIA’s resources on “Water Repellency (DWR) Chemistries.”

- **Flame retardant (FR) chemicals**: FR chemicals are commonly applied to camping shelters, most notably tents, to comply with mandatory flammability standards. Research suggests that some FR chemicals may be harmful to people and the environment. For more information, review the OIA’s Priority Issues Brief and REI’s Co-op Journal article on flame retardants.

- **Oxybenzone**: Oxybenzone is a chemical that is used as an active ingredient in sunscreens and other formulated sun-protection products. Research indicates that oxybenzone is linked to a variety of human health risks and may also be harmful to coral reefs and other aquatic ecosystems.
Many products – including paper, wood-based products and cellulosic fabrics, such as modal and lyocell – are made from materials that come from trees. In addition, many other items used by brands in their day-to-day operations contain materials that come from trees, including product packaging, hangtags, cardboard boxes, shopping bags, marketing flyers and catalogs, etc.

Wood, paper and other wood-based materials are renewable natural resources that when sourced under a responsible program can represent a sustainable material choice. However, there are environmental and social impacts that must be managed when sourcing wood-based materials. These impacts include deforestation, conversion of natural forests to plantations or nonforest uses, the use of genetically modified trees, violation of the rights of indigenous people to their land, the risk of illegal harvesting and the potential for the timber trade in a region to drive armed conflict.

An effective program for the responsible sourcing of wood products should include a means of addressing each of these impacts.

To maximize crop yields, conventional agriculture often employs the use of genetically modified seeds and synthetic pesticides and herbicides. These practices can have a negative impact on the health and biodiversity of land managed in this way.

Organic agriculture avoids the use of synthetic fertilizers, herbicides and pesticides, and it follows best practices that promote water quality, energy conservation, biodiversity and healthy soil.

Guidance resources
The OIA's Sustainable Materials “Getting Started” Guide is a resource brands can use to better understand the impacts associated with the materials they use – including wood-based materials and those made from cotton and agricultural products – to reduce those impacts and identify better materials.
Many outdoor products contain materials that came from animals, including down and feathers (from geese and ducks), wool (from sheep) and leather (from cows and other animals, such as kangaroos and goats). Certain inhumane practices – including the live-plucking and force-feeding of geese and ducks, and mulesing and other painful practices that sheep are sometimes subjected to – are of particular concern in the outdoor industry. In addition, for certain animal-derived materials – including animal fur and exotic leather – it may not be feasible to ensure the responsible treatment of the animals and sustainable management of the species from which these materials are derived.

REI has established expectations regarding responsible down and wool sourcing practices, and REI does not sell products that contain animal fur or exotic leather. In addition, REI supports several certifications that help ensure animals are treated with respect regarding their five freedoms.

**How does REI’s Private Brands approach this topic?**
REI has adopted the Responsible Down Standard for 100% of our down and feathers, and is adopting the Responsible Wool Standard for wool used in our products as it becomes commercially available.

**Guidance resources**
Brands can refer to the [Animal Welfare 101] guide for more information on implementing animal welfare standards in the supply chain. For additional information about animal welfare in the outdoor industry, brands can refer to the [OIA’s resources] on the topic.
Environmental Management: The Basics

A product’s life cycle extends all the way back to the point where raw materials were produced and includes all the stages of manufacturing, packaging, transportation, distribution, customer use and ultimately its fate at the end of its useful life. There are impacts at each of these stages that contribute the product’s overall footprint. The field of life-cycle assessment (LCA) aims to quantify products’ environmental impacts; identify key impacts, or “hot spots”; and reduce those impacts.

One component of the Higg Index suite of tools – the Materials Sustainability Index – is based on LCA methodology and enables brands to assess the environmental impacts of the materials used in their products and identify better materials.

In addition, using recycled materials reduces the need to extract new raw materials, keeps materials out of landfills and typically lessens the amount of resources required to create products.

Finally, emphasizing sustainability in packaging – including reducing material use, utilizing recyclable or compostable materials and clearly labeling packaging with the How2Recycle logo to aid customers in properly disposing of packaging – reduces environmental impacts associated with packaging.

How does REI’s Private Brands approach this topic?
REI has utilized LCA methodology to better understand the environmental impact associated with key products and to inform product design decisions. In addition, REI labels packaging with the How2Recycle logo and uses widely recyclable packaging materials and Forest Stewardship Council-certified or recycled paperboard.

Guidance resources
The OIA’s Sustainable Materials “Getting Started” Guide is a resource brands can use to better understand the impacts associated with the materials they use, reduce those impacts and identify better materials. Brands seeking to identify opportunities to improve packaging can refer to REI’s Sustainable Packaging Guidelines.
# Preferred Sustainability Attributes

The following are REI’s preferred sustainability attributes:

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Apparel &amp; accessories</th>
<th>Sleeping bags</th>
<th>Packs, luggage &amp; soft gear</th>
<th>Footwear</th>
<th>Hard goods &amp; equipment</th>
<th>Tents</th>
<th>Food</th>
<th>Electronics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>bluesign®</strong></td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
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<td>x</td>
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<tr>
<td><strong>Recycled materials</strong></td>
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<td>x</td>
<td>x</td>
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<td>x</td>
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<tr>
<td><strong>Responsibly sourced down</strong></td>
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<td></td>
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<tr>
<td><strong>Responsible Wool Standard (RWS)</strong></td>
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<tr>
<td><strong>Forest Stewardship Council (FSC)</strong></td>
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<tr>
<td><strong>Leather Working Group (LWG)</strong></td>
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</tbody>
</table>

The following are REI’s preferred sustainability attributes:

- Apparel & accessories
- Sleeping bags
- Packs, luggage & soft gear
- Footwear
- Hard goods & equipment
- Tents
- Food
- Electronics

**bluesign®**: Works to prevent chemicals of concern from entering into textiles-based materials at each step of the manufacturing process.

**Organically grown cotton / organic agriculture**: Avoids the use of synthetic pesticides, herbicides and fertilizers and ensures that farmers follow best practices to promote water quality, energy conservation, biodiversity and healthy soil.

**Recycled materials**: Reduce the need to extract new raw materials, keep materials out of landfills and typically lessen the amount of resources required to create products.

**Fair trade certification**: Promotes safe, healthy working conditions; helps empower communities to build strong, thriving businesses; and supports better trading conditions – including higher wages – for producers and workers.

**Responsibly sourced down**: Certifies that down and feathers came from ducks and geese that were treated well and prohibits certain inhumane practices, including live-plucking and force-feeding.

**Responsible Wool Standard (RWS)**: Certifies that wool came from farms with a progressive approach to managing their land, and from sheep that have been treated well.

**Forest Stewardship Council (FSC)**: Provides assurance that certified wood products came from forests that were managed responsibly. FSC certification addresses both environmental and social considerations, including deforestation, land use change, indigenous people’s rights and illegal harvesting.

**Leather Working Group (LWG)**: Ensures that certified leather suppliers have strong environmental stewardship practices in place and that hides sourced from Brazil were not from farms involved in any form of deforestation in the Amazon biome.
Contacting the REI Product Sustainability Team

REI brand partners can contact the Product Sustainability team at ProductSustainability@rei.com.