REI Product Sustainability Standards



Version 1.1, October 2019

OVERVIEW

REI was founded by 23 climbing friends who believed that a life outdoors is a life well lived. From those origins, we know that great things can happen when people join together in pursuit of a common purpose.

Our members have always sought the best outdoor gear from brands aligned with their values. The gear that REI brings to members—and the supply chains we thereby sustain—are central to honoring their trust.

We have gathered input from our wholesale brand partners about how, together, we can create more sustainable products and supply chains. In doing so, we have sought to understand REI's role in supporting our vendor community and helping create the conditions for positive, lasting impacts. We have heard a strong desire for clear direction from REI, guidance on the issues that matter most to the co-op and the outdoors, and support in bringing products to market that advance sustainability across the industry.

The REI Product Sustainability Standards serve as the foundation of REI's efforts to elevate sustainability across the co-op's offering, and, if we are optimistic, across the broader retail sector. These standards establish clear baseline expectations that promote social responsibility, environmental stewardship and animal welfare. Additionally, the standards identify the leading sustainable product attributes that REI supports. Together, these standards elevate sustainability across the co-op's offering and are an important lens through which REI approaches relationships with our brand partners.

REI remains focused in all that we do on improving the health of the outdoors and strengthening our communities. This work is not always glamorous or easy, but it is fundamentally important to our shared future. We sincerely appreciate the support of our brand partners and look forward to continued collaboration.

IMPLEMENTATION

REI's product sustainability standards consist of brand expectations and preferred attributes, each of which is defined below, along with an overview of how the standards should be implemented. Individual standards are described later in this document, and a summary of the standards and a list of frequently asked questions are included as appendices.



 \nearrow Brand expectations: REI's core expectations of all brands and products sold at REI regarding the management of key environmental, social and/or animal welfare impacts. A summary of REI's brand expectations, including effective dates and impacted product categories, is available in Appendix 1.

REI expects each brand partner to meet these expectations, and we ask that all products brought to REI for consideration meet each applicable expectation.



Preferred attributes: Leading certifications and material types that REI has determined to be most relevant to our product offering and most effective in advancing sustainability. An overview of these voluntary attributes is available in Appendix 2.

- REI encourages brands to pursue the attributes and integrate them into their products as applicable.
- REI will highlight these attributes for our customers. We ask that brands communicate to REI which of their products have these attributes.

WHAT'S CHANGED IN VERSION 1.1?

REI's Product Sustainability Standards will be revised over time to ensure they remain relevant, address key topics, and continue to elevate sustainability practices across the products sold at REI and the supply chains behind them. The following is a summary of the key changes from the previous version (1.0) and the current version (1.1):

- ❖ Updated the timeline for the Higg Index brand assessment tool—the Brand and Retail Module (BRM). The BRM remains in development with a scheduled released in 2020. Upon its release, REI will use the tool to assess the sustainability performance of our own brand. After REI has vetted the tool for large-scale implementation, we will engage brand partners in applicable categories regarding use of the tool to assess their sustainability performance. We will share more detailed guidance regarding category applicability and implementation timing after the BRM is released.
- ❖ Added the following definition of animal fur: "REI defines animal fur as any animal skin that has the animal's hair or fur fibers attached to it, or the pelt of any animal killed for its fur. Animal fur does not include 1) skins that have been converted into leather or which have been processed in a way that completely removes the hair, fleece, or fur fibers, 2) materials clipped, shorn, or combed from live animals, 3) hides or skins with the hair attached where the skin has been converted to leather, including cowhide with hair attached, fleece, sheepskin and shearling, or 4) synthetic materials intended to look like fur."

REI PRODUCT SUSTAINABILITY STANDARDS

Fair and Safe Supply Chains

REI's objective is to ensure that the supply chains behind the products we sell are fair, safe and nondiscriminatory. REI's approach to advancing fair labor practices in the supply chains behind the products sold at REI consists of the following key components:

BRAND EXPECTATION



MANUFACTURING CODE OF CONDUCT: A core component of an effective social responsibility program is a manufacturing code of conduct that outlines the social and environmental standards to be upheld within the manufacturing supply chain. An effective code of conduct should be based on internationally accepted fair labor principles and practices, such as those outlined by the International Labour Organization. REI expects each brand partner to have in place a manufacturing code of conduct that outlines the social and environmental standards to be upheld within their supply chain.

PREFERRED ATTRIBUTE



FAIR TRADE CERTIFICATION: REI encourages the use of progressive solutions that enhance the impact that the manufacturing of products has on the communities where they are produced. One such solution is fair trade certification, which promotes safe, healthy working conditions and helps empower communities to build strong, thriving businesses. Fair tradecertified products also support better trading conditions, including higher wages, for producers and workers. REI encourages brand partners to use the Fair Trade USA or Fairtrade International certification for their applicable products.

Chemicals Management

REI's objective is to sell high-quality and high-performance products made from benign and wellunderstood chemical inputs. Managing chemicals responsibly is an important means of safeguarding the health of our members, workers, communities and the environment. REI's approach to advancing responsible chemicals management practices consists of the following key components:

BRAND EXPECTATIONS



RESTRICTED SUBSTANCES LIST: A foundational component of an effective chemicals management program is a restricted substances list (RSL). An RSL specifies which substances are banned or restricted in products. REI expects each brand partner to have in place an RSL that meets or exceeds all applicable regulatory requirements¹.

¹Brands that sell products in categories regulated by the U.S. Food and Drug Administration (FDA) or U.S. Department of Agriculture (USDA) do not need to have a separate RSL for their products in these categories. Products supplied to REI in categories not regulated by the FDA or USDA should be covered by an RSL that meets the above description.

- BISPHENOL A: Bisphenol A (BPA) is an industrial chemical used in certain types of plastics and coatings, including those used in plastic water bottles and the linings of food containers. Research indicates that exposure to BPA may be linked to a variety of human health risks. <u>REI expects that all products supplied to REI that are meant to come in direct contact with food or liquids for human consumption be free of BPA.</u>
- FLAME RETARDANT CHEMICALS: Flame retardant (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. <u>REI expects that all camping shelters¹ supplied to REI be free of prohibited FR chemicals.²</u>
- PER-AND POLYFLUOROALKYL SUBSTANCES: Per- and polyfluoroalkyl substances (PFAS) 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 finishes applied to outdoor clothing and gear. Certain PFAS are persistent in the environment, bioaccumulative in wildlife and humans, and toxic. Concerns about the use of *long-chain* PFAS have led some brands to transition to *short-chain* PFAS options, which are generally considered to be less toxic and less bioaccumulative. REI believes the transition to *short-chain* PFAS represents a positive stepping stone as alternatives are developed and become commercially viable. *REI expects that all apparel products supplied to REI be free of long-chain PFAS*.
- 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. REI expects that all sunscreens and formulated sun-protection products supplied to REI be free of oxybenzone.

PREFERRED ATTRIBUTES

BLUESIGN®: bluesign® is an independent system for managing the environmental impacts of textile-based product manufacturing. The bluesign® system works to prevent chemicals of concern from entering into materials at each step of the manufacturing process. <u>REI encourages brand partners to use the bluesign® system for their applicable products</u>.

LEATHER WORKING GROUP CERTIFICATION: Leather manufacturing can be an environmentally impactful process, with key potential impacts including deforestation and the use of hazardous chemicals in leather tanneries. The Leather Working Group (LWG) certification ensures that certified leather suppliers have strong environmental stewardship practices in place and promotes traceability of leather hides. <u>REI encourages brand partners to use the LWG certification for their applicable products</u>.

 $^{^1}$ Camping shelters include backpacking tents, camping tents, cartop tents, tent accessories, hammock shelters, hammocks, awnings and bivouac sacks.

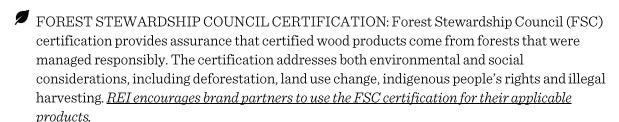
² See <u>Appendix 3</u> for a list of prohibited FR chemicals.

³The Environmental Protection Agency's (EPA) definition of *long-chain* PFAS can be found on the <u>EPA's website</u>.

Land Stewardship

REI's objective is to ensure that land used to produce the raw materials that go into the products we sell was managed in a way that promotes stewardship, biodiversity and long-term environmental, social and economic benefits. REI's approach to advancing responsible land stewardship practices in product supply chains consists of the following key components:

PREFERRED ATTRIBUTES



ORGANICALLY GROWN COTTON AND ORGANIC INGREDIENTS: Organic agriculture avoids the use of synthetic pesticides, herbicides and fertilizers and ensures that farmers follow best practices that promote water quality, energy conservation, biodiversity and healthy soil. These practices are applicable to a broad range of agricultural products, including cotton and many ingredients contained in food products sold at REI. <u>REI encourages brand partners to use, as applicable, certified organically grown cotton in textiles and certified organic ingredients in food and other applicable products.</u>

Animal Welfare

REI's objective is to ensure that animal-derived materials used in the products we sell – such as down, wool and leather – come from animals that were treated with respect regarding their Five Freedoms.¹ REI's approach to promoting animal welfare in the supply chains behind the products we sell consists of the following components:

BRAND EXPECTATIONS

- DOWN: REI is committed to sourcing down from geese and ducks that were humanely raised and cared for. REI expects that all products supplied to REI that contain down meet standards that ensure that ducks and geese in the down supply chain are treated humanely and are never live-plucked or force-fed.
- WOOL: REI is committed to sourcing wool from farms where sheep were humanely raised and cared for. *REI expects that all products supplied to REI that contain wool meet standards that ensure that sheep are treated humanely and are not mulesed.*
- ANIMAL FUR AND EXOTIC LEATHER: Animal fur and exotic leather are used in certain products for their insulative and aesthetic properties. In many cases, the supply chains for these materials lack robust mechanisms to ensure the responsible treatment of the animals

¹The Five Freedoms include (1) freedom from hunger or thirst; (2) freedom from discomfort; (3) freedom from pain, injury or disease; (4) freedom to express most normal behavior; and (5) freedom from fear and distress.

and sustainable management of the species from which these materials are derived. <u>REI</u> expects that products supplied to <u>REI</u> not contain animal fur¹ or exotic leather.²

In addition, REI encourages the use of proactive solutions that help advance animal welfare within the down and wool supply chains.

PREFERRED ATTRIBUTES:



RESPONSIBLE WOOL STANDARD: To augment REI's commitment to animal welfare and drive continuous improvement in wool supply chains – including land management practices that promote environmental stewardship – <u>REI encourages brand partners to use the Responsible Wool Standard for their products that contain wool</u>.

Environmental Management

REI's objective is to ensure that environmental impacts associated with the products we sell are minimized throughout the product life cycle. This includes the products, the materials within them, their supply chains and the operations of the companies that made them. In addition to the other standards outlined in this document – many of which are intended to address specific environmental impacts – REI's approach to supporting responsible environmental management practices consists of the following key components:

BRAND EXPECTATION

HIGG INDEX BRAND & RETAIL MODULE: The Higg Index is a suite of assessment tools aimed at measuring organizations' sustainability performance and identifying opportunities to improve. The tools apply to manufacturing supply chains, brand operations and products. The Higg Index Brand & Retail Module (BRM) is intended for use by brands and retailers and is currently in development. REI believes that standardized sustainability tools such as the Higg Index provide a unique opportunity to scale sustainability best practices across the industry. After the BRM has been released and vetted for large-scale implementation, REI will engage brand partners in applicable categories regarding use of the tool to assess their sustainability performance.

PREFERRED ATTRIBUTES

¹REI defines animal fur as any animal skin that has the animal's hair or fur fibers attached to it, or the pelt of any animal killed for its fur. Animal fur does not include 1) skins that have been converted into leather or which have been processed in a way that completely removes the hair, fleece, or fur fibers, 2) materials clipped, shorn, or combed from live animals, 3) hides or skins with the hair attached where the skin has been converted to leather, including cowhide with hair attached, fleece, sheepskin and shearling, or 4) synthetic materials intended to look like fur.

 $^{^2}$ REI defines exotic leather as leather derived from animals other than cows, sheep, goats, pigs, deer, bison or kangaroos. REI will consider products containing leathers from other common species on a case-by-case basis. Before buying products containing leather derived from other species, it must be shown that the leather came from a source where the animals were treated humanely and where the species was managed in a sustainable manner.

- RECYCLED MATERIALS: 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. In addition, using recycled materials supports the development of robust recycling infrastructure that enables the efficient use of resources. <u>REI encourages</u>

 <u>brand partners to use certified recycled materials in products where they reduce the product's environmental impact while maintaining product performance and safety.</u>
- PACKAGING: Packaging is necessary to protect products while in transit. Packaging may also enhance the customer experience by communicating key information. REI aims to minimize the environmental footprint of packaging while ensuring that the packaging is effective in serving its purpose. REI encourages brand partners to use packaging materials that are FSC-certified and/or recycled and that are recyclable or compostable after use. In addition, we encourage the use of the How2Recycle logo on product packaging to help customers understand how to recycle packaging materials after use.

Appendix 1: Summary of Brand Sustainability Expectations

The following chart outlines REI's core expectations of all brands and products sold at REI regarding the management of key environmental, social and/or animal welfare impacts.

Product Sustainability Value	Topic	Brand Expectation	In-Scope Product Categories	Effective Date ¹	Transition Period for New Brand Partners
Fair and safe supply chains	Manufacturing code of conduct	REI expects each brand partner to have in place a manufacturing code of conduct that outlines the social and environmental standards to be upheld within their supply chain. Brands' standards should be based on internationally accepted fair labor principles and practices.	All	Ongoing	N/A
Chemicals management	Restricted substances list (RSL)	REI expects each brand partner to have in place an RSL that meets or exceeds all applicable regulatory requirements.		Ongoing	N/A
Chemicals management	Bisphenol A (BPA)	REI expects that all products supplied to REI that are meant to come in direct contact with food or liquids for human consumption be free of BPA.	Water bottles, food containers, cookware, dinnerware, utensils	Ongoing	N/A
Chemicals management	Flame retardant (FR) chemicals	REI expects that all camping shelters ² supplied to REI be free of prohibited FR chemicals. ³	Camping shelters	Fall 2020 product lines	18-month transition period from time of first purchase order
Chemicals management	Per- and polyfluoroalkyl substances (PFAS)	REI expects that all apparel products supplied to REI be free of long-chain PFAS. 4	Apparel	Fall 2020 product lines	18-month transition period from time of first purchase order
Chemicals management	Oxybenzone	REI expects that all sunscreens and formulated sun-protection products supplied to REI be free of oxybenzone.	Sunscreens and formulated sun-protection products	Fall 2020 product lines	18-month transition period from time of first purchase order
Animal welfare	Down	REI expects that all products supplied to REI that contain down meet standards that ensure that ducks and geese in the down supply chain are treated humanely and are never live-plucked or force-fed.	Products that contain down	Fall 2020 product lines	18-month transition period from time of first purchase order
Animal welfare	Wool	REI expects that all products supplied to REI that contain wool meet standards that ensure that sheep are treated humanely and are not mulesed.	Products that contain wool	Fall 2020 product lines	18-month transition period from time of first purchase order
Animal welfare	Animal fur and exotic leather	REI expects that products supplied to REI not contain animal fur or exotic leather.	All	Ongoing	N/A
Environmental management	Higg Index Brand & Retail Module (BRM)	After the BRM has been released and vetted for large-scale implementation, REI will engage brand partners in applicable categories regarding use of the tool to assess their sustainability performance.	To be communicated	To be communicated	N/A

¹While the effective dates listed indicate when REI's expectations take effect, brand partners are encouraged to align with each applicable expectation as soon as possible.

²Camping shelters include backpacking tents, camping tents, cartop tents, tent accessories, hammock shelters, hammocks, awnings and bivouac sacks.

³ See <u>Appendix 3</u> for a list of prohibited FR chemicals.

⁴ The Environmental Protection Agency's (EPA) definition of *long-chain* PFAS can be found on the <u>EPA's website</u>.

Appendix 2: Overview of Preferred Sustainability Attributes

The following chart outlines REI's preferred sustainability attributes, which include voluntary certifications and material types that REI has determined to be most credible, relevant and impactful in advancing sustainability across our product offering.

Product Sustainability Value	Preferred Attribute	Certifications	Description
Fair and Safe Supply Chains	Fair trade certification	FAIR TRADE CERTIFIED FAIRTRADE	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.
Chemicals management	bluesign®	bluesign*	Works to prevent chemicals of concern from entering into textiles-based materials at each step of the manufacturing process.
Chemicals management	Leather Working Group certification	LEATHER WORKING GROUP	Ensures that certified leather suppliers have strong environmental stewardship practices in place and that hides sourced from Brazil are not from farms involved in any form of deforestation in the Amazon biome.
Land stewardship	Forest Stewardship Council (FSC) certification	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.
Land stewardship	Organically grown cotton and organic ingredients	USDA ORGANIC TEXTILE T	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.
Animal welfare	Responsibly sourced down	R-D-S NSF ROB-NUL 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.
Animal welfare	Responsible Wool Standard certification	R-W-S	Certifies that wool came from farms with a progressive approach to managing their land and from sheep that have been treated well.
Environmental management	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.
Environmental management	Sustainable packaging and How2Recycle logo	how2recycle.info	REI encourages brand partners to use packaging materials that are FSC-certified and/or recycled and that are recyclable or compostable after use. In addition, we encourage the use of the How2Recycle logo on product packaging to help customers understand how to recycle packaging materials after use.

Appendix 3: Prohibited Flame Retardant Chemicals

Restricted FR chemicals: The following FR substances have been identified as hazardous by at least one country, U.S. state or international regulatory organization. Hazardous in this case means associated with one or more of the following impacts: cancer, gene mutation, reproductive toxicity, endocrine disruption, bioaccumulation or environmental persistence. This list constitutes the FR chemicals that are prohibited in camping shelters sold at REI.

CAS Number	Chemical
3296-90-0	2,2-bis(bromomethyl)-1,3-propanediol (BBMP)
5412-25-9	Bis (2,3-dibromopropyl) phosphate (BDBPP)
3194-55-6	Hexabromocyclododecane (HBCD)
25637-99-4	Hexabromocyclododecane (HBCD) – cont'd
134237-50-6 134237-51-7 134237-52-8	Hexabromocyclododecane (HBCD) – cont'd
59536-65-1	Polybrominated biphenyls (PBBs)
SEVERAL	Polybrominated diphenyl ethers (PBDEs)
40088-47-9	Tetrabromodiphenyl ether (TetraBDE)
32534-81-9	Penta-bromodiphenyl ether (pentaBDE)
36483-60-0	Hexabromodiphenyl ether (HexaBDE)
68928-80-3	Heptabromodiphenyl ether (HeptaBDE)
32536-52-0	Octa-bromodiphenyl ether (octaBDE)
1163-19-5	Decabromodiphenyl ether (DecaBDE)
85535-84-8	Short-chain chlorinated paraffins (SCCP)(C10-C13)
79-94-7	Tetrabromobisphenol A (TBBPA)
512-56-1	Trimethyl phosphate
545-55-1	Tris (1-aziridinyl)-phosphine oxide (TEPA)
126-72-7	Tris (2,3-dibromopropyl) phosphate (TRIS)
13674-87-8	Tris(1,3-dichloro-2-propyl) phosphate (TDCPP)
115-96-8	Tris(2-chloroethyl) phosphate (TCEP)

References:

- 1. bluesign® <u>System Substances List</u>
- 2. Oeko-Tex® Standard 100
- 3. American Apparel & Footwear Association Restricted Substances List
- 4. Apparel & Footwear International RSL Management Group Restricted Substances List
- 5. California Safe Drinking Water and Toxic Enforcement Act (Proposition 65) <u>The Proposition</u> 65 List
- 6. Washington Children's Safe Products Act Chemicals of High Concern to Children
- 7. United States Environmental Protection Agency Significant New Use Rules

Frequently Asked Questions

What criteria does REI use to establish its product sustainability standards? In establishing product sustainability standards, REI begins by listening to the values and voices of our members and input from our brand partners. We also analyze the social and environmental impacts associated with the products we sell, and we assess (a) which impacts are most significant across our business, (b) our greatest opportunities to create positive change, and (c) the efficacy of existing tools and resources. Ultimately, the standards we establish are those that we determine to be most effective in advancing sustainability across our product offering.

When will REI's standards take effect? Existing expectations of our wholesale brand partners are ongoing and are outlined in this document alongside new expectations. New expectations established in Version 1.0 of the standards will apply to Fall 2020 product lines. The effective date of each brand expectation is listed in Appendix 1.

Will brands that are new to REI be expected to meet REI's expectations immediately? For certain expectations, we provide an 18-month transition period for brands that are new to REI. We realize that brands may need to modify how they operate in order to align with REI's expectations and that this can take time. This approach also provides an opportunity to support our brand partners in adopting best practices.

<u>How will REI measure progress in implementing the standards?</u> REI will utilize our Product Sustainability Questionnaire as a primary means of tracking progress in implementing our standards. If necessary, REI may also request additional information from brands regarding their implementation of the standards.

<u>How will REI's standards be integrated into REI's merchandising process?</u> Sustainability has always been an important consideration in REI's product selection process. REI's product sustainability standards enable sustainability to become a more formal part of the product assortment process. The standards will also enable REI to better track and highlight product sustainability attributes for our customers and to educate customers on what these attributes mean, why they're important and how they support positive outcomes.

<u>How will the brand expectations be enforced?</u> REI will utilize the results from our Product Sustainability Questionnaire to track alignment with our brand expectations. The results of the questionnaire are reviewed by various groups at REI, including the merchandising division. If necessary, we may also request additional information from brands regarding how they ensure that they meet our expectations. We will review and reconsider our relationships with brands that do not meet our expectations.

Which product certifications does REI recognize? REI believes that utilizing credible, widely recognized third-party certifications is an effective means of promoting sustainability within supply chains and products. Each of the preferred attributes outlined in REI's standards is either a specific certification or a class of materials where multiple certification schemes exist (e.g., organically grown cotton or recycled materials). For these material classes where multiple certification schemes exist, REI recognizes any credible, relevant certification scheme that has been demonstrated to advance sustainability.

<u>Does REI specify how brands should monitor their supply chains?</u> Each of REI's brand expectations and preferred attributes requires supply chain monitoring and engagement with suppliers. REI does not specifically dictate how brand partners monitor their supply chains; however, we expect that brands have in place effective policies and procedures for doing so in a responsible manner and ensuring the accuracy of product claims.

<u>Do REI's standards align with the Higg Index</u>? The Higg Index is the primary means of assessing sustainability performance at REI. While the Higg Index is currently optimized for use in apparel, footwear and textiles, REI's standards apply across all brands and product categories sold at REI. REI's standards are intended to promote improved sustainability performance using best practices and concepts that align with some of those assessed in the Higg Index. In addition, REI supports the expansion of the Higg Index to formally cover additional product categories, and we will encourage its increased use among REI brand partners as it becomes more broadly applicable.

<u>How do REI's standards align with regulatory requirements</u>? These standards go above and beyond legal requirements. REI brand partners are required to meet all applicable legal requirements. In any instances where applicable legal requirements conflict with the standards, the legal requirements shall supersede these standards.

Does REI have a means of collecting input from brand partners to shape future versions of REI's standards? We actively seek brand input to shape our standards and inform our overall approach to sustainability. In creating Version 1.0 of the standards, we gathered input from a diverse group of brands representing a wide variety of product categories. We will continue to seek input from our brand partners as we chart our path forward. We regularly gather input from brands via the REI Product Sustainability Questionnaire. Brands may also contact the REI Sustainability Team at any time to provide input by sending an email to ProductSustainability@rei.com.

<u>Will REI's standards be revised over time? If so, how?</u> We aim to continuously improve the sustainability of REI's product offering, and our standards will be updated periodically to support our efforts to do so effectively. Revisions to the standards will incorporate the tools and approaches that are most effective in advancing sustainability, most relevant to our product offering, and most feasible for REI and our brand partners. Brand partners will be notified of any changes to the standards, and the latest version of the standards will be made available to them.

Why doesn't REI specifically address climate change in these standards? REI's standards include existing tools and approaches that effectively address key environmental, social and animal welfare impacts. While promising work is being done to address climate change, no tools or approaches that we are aware of have yet reached a level of maturity to warrant inclusion in our standards. In addition, use of the Higg Index provides an opportunity for brand to assess and improve their sustainability performance, including reducing greenhouse gas emissions. As other tools and approaches for addressing climate impacts become more mature, we will consider them for inclusion in future versions of the standards.

How does REI view other actions taken by brands to advance sustainability? REI is fortunate to work with many brands that are leaders in sustainability and take progressive actions that extend beyond the scope of this document. We applaud these efforts, and we look forward to continuing to collaborate with our partners to have a positive impact on the environment and communities where we operate.

What does REI mean when they say they expect a product to be "free of" something? REI follows the guidance outlined in § 260.9 of the Federal Trade Commission's <u>Green Guides</u>, which specifies when it is appropriate to make a "free-of" claim. This section specifies that a product may be called "free of" a substance even if that substance is present in trace amounts, so long as it does not pose the harm that customers normally associate with the substance and the substance has not been intentionally added to the product.