

What 3M did for People & Nature in 2023



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The way Earthworm Foundation works with 3M

Earthworm partners with leader companies – our members – that are prepared to take bold action and demonstrate that it is possible to simultaneously create economic, social, and environmental value.

VTTV process

Values – We support the definition and internalization of our members' values into clear policies and commitments that redefine corporate value

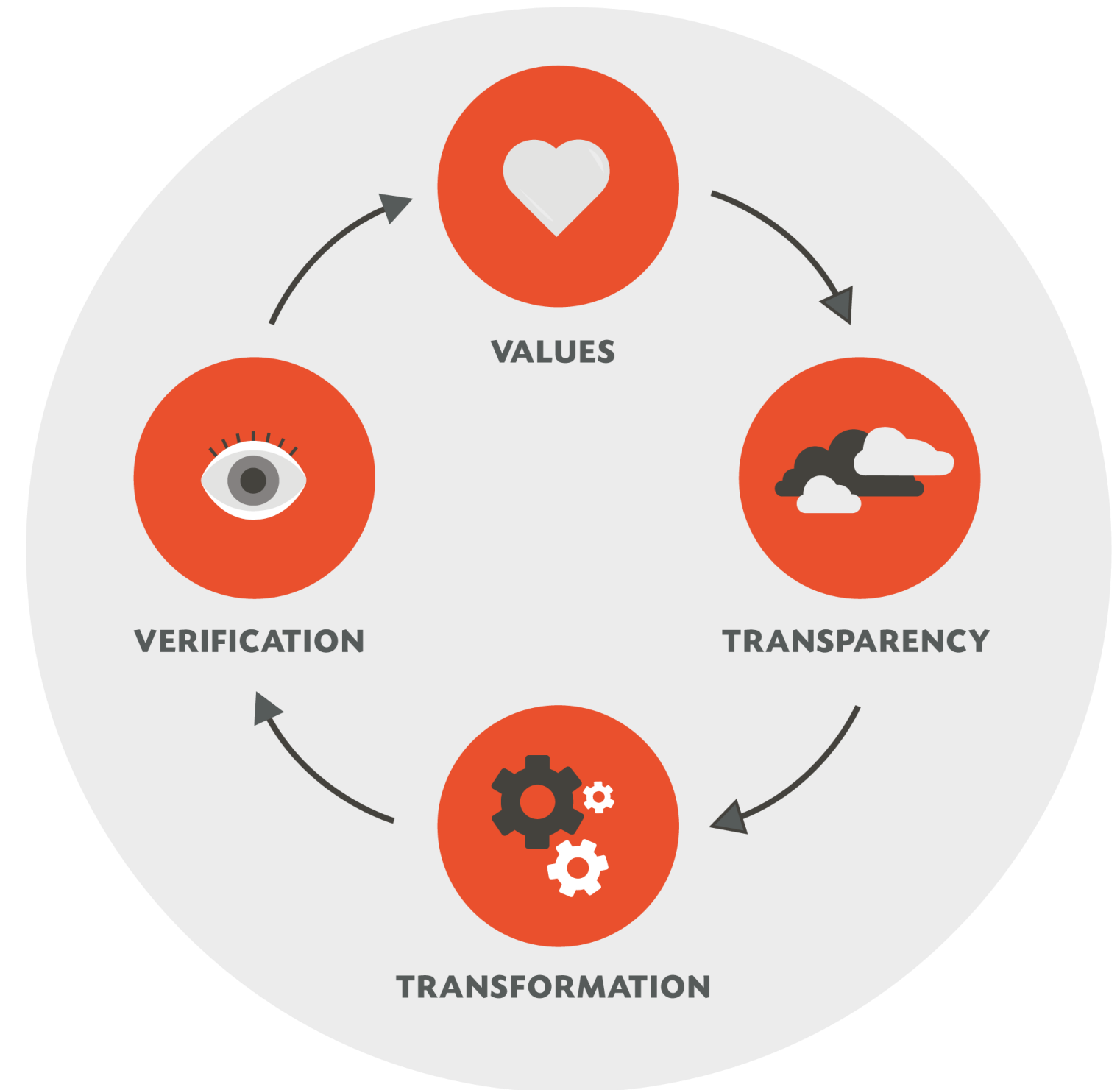
Transparency – We help map supply chain actors and geographies to chart strategies and foster accountability through the publication of data and progress updates

Transformation – We collaborate to implement tools and processes that transform the way business operates

Verification – We innovate on solutions to measure impact, assess progress, and ensure accountability

About 3M

3M is a technology company that manufactures industrial, safety, transportation, electronics, and consumer products based out of Saint Paul, Minnesota. 3M has been a committed Earthworm member since 2014, working in collaboration with Earthworm on forest products in the 3M supply chain. In this role, Earthworm acts as an accountability partner to 3M. As 3M implements its responsible sourcing agenda, EF supports the co-creation of solutions to strategic and operational challenges. 2023 activities focused on policy-level VALUES, bolstering supplier due diligence tools, TRANSPARENCY with the data refresh, and working towards TRANSFORMATION in Canada, Brazil, Finland, and Sweden.



| Our work around the world



Forest Products
Supplied from
54 countries

Canada

Key Issues: FPIC, biodiversity, degradation, carbon

Sweden

Key Issues: Biodiversity, degradation, carbon, FPIC

Finland

Key Issues: Biodiversity, degradation, carbon

Vietnam

Key Issues: Deforestation, legality, FPIC, workers' rights
Legality and due diligence desktop support

Brazil

Key Issues: Degradation, FPIC, workers' rights

A global strategy touching on key sourcing areas

Prioritized landscape interventions aimed to tackle the most non-conforming and urgent deforestation, degradation, and social issues within 3M's supply chain through targeted supplier engagement, capacity building, and technical support for communities and companies.



Supplier Engagement

Targeted supplier engagement across regions, high-risk monitoring, & management.



People

Values-driven transformation and community engagement.

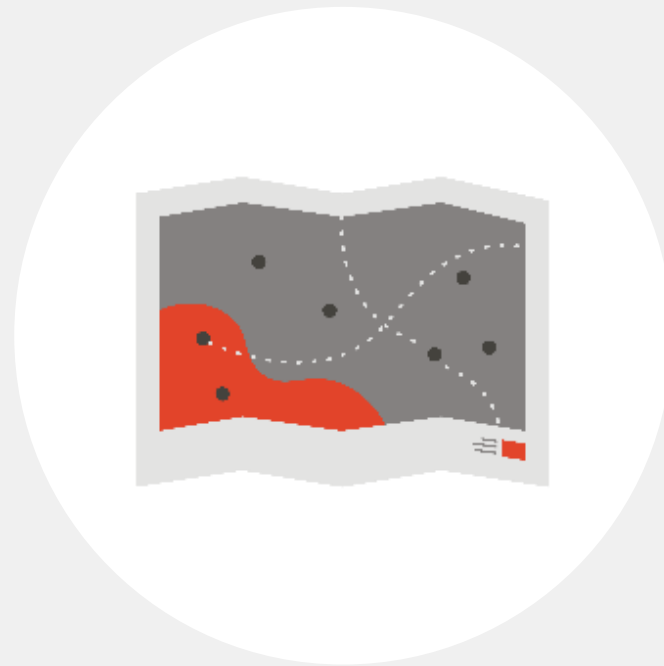


Communication

Proactive communications & Industry-aligned reporting

Global
objectives

Earthworm's primary support areas to 3M in 2023 included global risk management and due diligence strategy development, targeted regional supplier engagement, and transformation projects in Canada, Brazil, and Finland. Earthworm also developed communications materials and tools for these activities to foster understanding and visibility among stakeholders.



Global spend engaged

As of January 2023, over 91% of 3M's pulp and paper supply chain global spend was traceable to the paper mill or further upstream. 86% is traceable to the country of harvest or 100% recycled.



Regional Risk Assessments

Since 2015, 3M has conducted regional risk monitoring and assessed 19 suppliers through field visits. Over 19,000 million hectares of forest have been assessed in relation to the [3M Forest Products Sourcing Policy](#) expectations.



Transformation Projects

Support the Tsay Keh Dene Nation's efforts to achieve recognition for the 110,535 ha Wədzhih Yiné' (Caribou Song) Indigenous Protected & Conserved Area and ensure industry operating in their 3,217,307 ha core territory increasingly respect their right to Free, Prior and Informed Consent. As of 2023, through the Earthworm Brazil Centre for Social Excellence, trained 300+ professionals on social best practices, whose companies collectively manage 7.4 million ha of forest land.



What we did together in 2023

High-level achievements include:

- Bolstered global risk management and supplier due diligence tools, including alignment with the European Union Deforestation-Free Regulation.
- Targeted supplier engagement with priority suppliers in Brazil and Canada.
- Deepened value-chain collaboration in Fennoscandia (Finland & Sweden).
- Bolstered supplier capacity in social management systems in Brazil through the continued support for the [Centre for Social Excellence \(CSE\) Brazil](#) training program.



Conserving Forests through Recognition of Indigenous Rights

Increased visibility and communication about the Tsay Keh Dene-led Landscape partnership and the importance of respecting Free, Prior, and Informed Consent.


This year, 3M, Tsay Keh Dene Nation, and Earthworm attended the GreenBiz Bloom Conference in October. 3M and Tsay Keh Dene presented on a panel, "[Setting Things Right with Rights-Based Conservation](#)" highlighting the importance of relationship building and sharing how companies can support community-led conservation landscape initiatives in sourcing regions.

The partnership was also featured in the Tropical Forest Alliance, CDP, and Proforest report, "[Beyond Supply Chains: Pulp, Paper and Packaging Companies Take Landscape Action for Sustainability at Scale](#)," as a successful strategy for respecting the rights of Indigenous communities as part of companies' responsible sourcing commitments.



“Building relationships is key for 3M. Though progress may feel slow at times for both the company and the communities we are working with, at the end of the day, it’s all about listening, building relationships, and building trust.”

- Kate Shelton, Global Responsible Sourcing and Sustainability Leader, 3M



Strengthened collaboration across value-chain partners in Finland

Earthworm continues to support the process between 3M, Ahlstrom, and the Finnish forestry company Metsä Group to accelerate better environmental outcomes in their packaging supply chain from the outset.

Following the stakeholder consultation process, in the fall of 2023, Earthworm Foundation convened a visit between partners to the Kainuu region of Finland to see how wood fiber is produced, listen to the people living in these forest landscapes, and discuss critical issues directly with key stakeholders.

This visit resulted in high-level buy-in to [continue this unique collaboration](#) and explore a roadmap for a transformation project that will drive forest positive impact and address degradation at the regional landscape level.

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“Ahlstrom and Metsä’ Group’s proactive engagement with 3M on this transformative project illustrates forward thinking, a commitment to innovation, and the power of collaboration. Real progress is achieved when companies take the initiative to forge meaningful partnerships and drive change together,”

- Geertje Pollaris, Responsible Sourcing Leader for 3M EMEA Region

6 years

3M, Nestlé,
Earthworm
Partnership

7.4

Million
hectares

+300

Professionals
trained

+4,300

Communities
impacted



Earthworm Foundation's Centre for Social Excellence, Brazil was founded in 2018 to address widespread social conflicts between industry and local communities in Brazil by building companies' capacity to engage with communities

Since its inception, [CSE Brazil](#) has worked largely with the same Brazilian companies to strengthen the industry's social practice and skills.

The CSE Brazil program has cultivated a network of proficient professional leaders in social management systems, empowered to transform the dynamics between businesses and communities, non-governmental organizations, civil society, and governmental bodies.

In 2023, the CSE Brazil team conducted three distinct training sessions to reinforce corporate commitment to human rights and social responsibility within Brazilian forest companies; developed a Social Management System (SOP) Process for practitioners focused on social management practices and recorded 19 asynchronous videos for the online EF learning platform. The team also bolstered relationships with key suppliers, setting the stage to connect this capacity-building work to regional landscape projects.

Overall, this resulted in increased supplier capacity to adopt practices aligned with Nestlé and 3M policies, gradually fostering improved community relations in their operating territories.



Lessons Learned

- The regulatory burden of global compliance can take away from investment in transformation and impact work.
- Sustainable sector transformation requires going beyond minimum legal compliance. Sustainability is a journey and achieving legal compliance in an evolving regulatory landscape is a necessary step. Regulation alone cannot fully mitigate systemic social and environmental supply chain risks which require local, multi-stakeholder and rightsholder collaboration to address.
- The right and process to Free, Prior and Informed Consent means taking the time to build direct relationships. In practice, it means creating space and autonomy for Indigenous Peoples and local communities to speak for themselves and share their stories and strategic vision in their own voice.
- Change takes time. Supplier engagement, especially in high-risk regions, is often complex and takes longer than anticipated.



Goals for 2024

- Bolster global due diligence systems and policies and ensure alignment with EUDR and other regulations
- Ongoing traceability data refresh
- Continued engagement with priority suppliers across regions, and escalation when necessary
- Continued support for Tsay Keh Dene-led landscape partnership
- Expand supply-chain collaboration and transformation in Finland and Sweden
- Continued CSE Brazil program support

These goals aim to enhance the transparency of 3M's supply chain, identify risks, and strengthen 3M's capacity to address and monitor those risks **effectively**. This not only supports 3M's readiness for new regulations, such as the European Union Regulation on Deforestation-free Products (EUDR) but also **positions 3M to proactively go beyond minimum compliance and take an industry-leading approach in their responsible sourcing journey** – enhancing preparedness for future regulations and promoting positive impacts on people and the environment.



Acronym	Definition
CSE Brazil	Brazil Centre for Social Excellence
EF	Earthworm Foundation
EUDR	European Union Deforestation-Free Regulation
FPIC	Free, Prior, and Informed Consent
IFL	Intact Forest Landscape
IPCA	Indigenous Protected and Conserved Areas
VTTV	values, transparency, transformation, verification