



Science.
Applied to Life.™

3M Pulp and Paper Sourcing Policy Progress Report

May 2020

3M Pulp and Paper Sourcing Policy Progress Report

May 2020

Our Policy

3M has prioritized pulp and paper products as an area that warrants additional formal expectations because of potential environmental risks, such as deforestation and habitat loss; potential human rights issues, such as infringement of indigenous peoples' rights; and potential unsafe labor practices. As a global paper purchaser and Sustainability leader, 3M is well positioned to positively influence practices throughout the forest products supply chain.

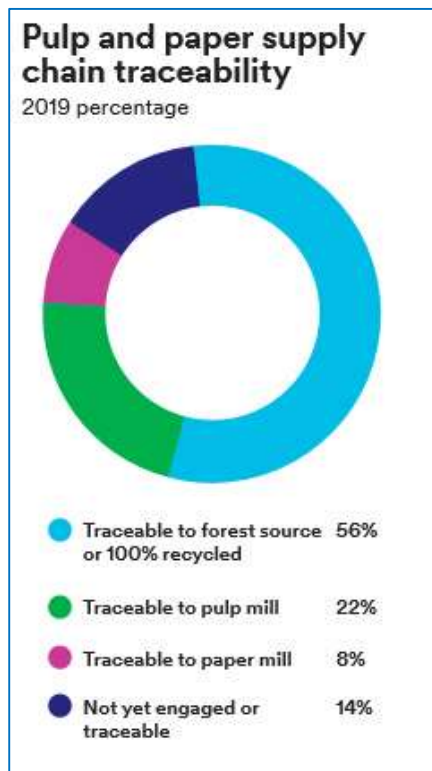
We adopted our Pulp and Paper Sourcing Policy in the spring of 2015 and re-published in 2018 to set standards of excellence for our suppliers and their suppliers through all tiers of supply from the forest. The policy makes it clear that we want to source paper products from suppliers who share our values and are committed to protecting the world's forests and its habitat. Our Pulp and Paper Sourcing Policy and guidance document is available in seven languages. Additional information can be found on our [Sustainable Forestry website](#).

Pulp and paper policy implementation on the ground

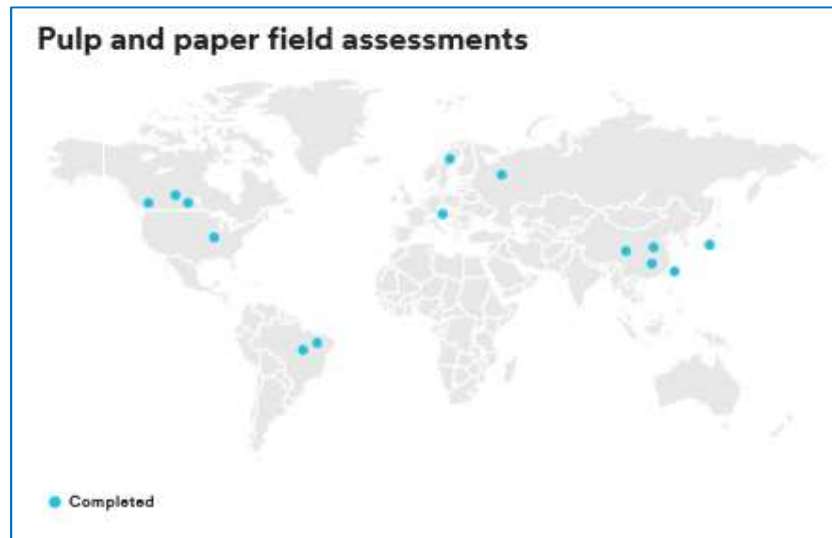
The 3M Pulp & Paper Sourcing Policy requires that our suppliers of pulp and paper materials provide full supply chain traceability to 3M from the paper and pulp mills all the way to the forest source. We aim to work with suppliers to document as much of our global paper supply chain as possible. Since we began implementing this policy, we have mapped over 78% of our global pulp and paper spend to the pulp mill and forest source. The results of the supply chain mapping enable us to amplify our efforts to mitigate risks, improve efficiencies, and drive sustainable practices throughout the supply chain.

We partner with a third-party provider, Earthworm Foundation (EF), to help us review the information we obtain from our supplier surveys and combine that with geography and industry-specific knowledge to conduct "desktop" risk assessments of our supply chains. We use these assessments to prioritize further engagement and to learn more about our suppliers' responsible sourcing and sustainable forestry practices. This deeper engagement could take the form of a series of web conferences, in-person meetings, or field assessments at the mill and/or forest level. We do not limit this engagement to our direct suppliers. In fact, as appropriate, we will work directly with indirect (Tier 2 and Tier 3) suppliers on policy conformance verification work, with a goal of involving our direct (Tier 1) supplier(s) in these activities whenever possible.

With the help of EF, we have so far conducted 14 field assessments across all regions, covering more than 16 million hectares. Some of those assessments reviewed Tier 2 pulp mills and were also attended by a Tier 1 supplier. 3M's participation in supplier field assessments with EF helps us to understand firsthand the challenges faced by pulp and paper companies and forest managers around the world.



This, in turn, enables us to participate actively in developing solutions and advancing conversations about responsible sourcing and sustainable forestry.



Each assessment results in a comprehensive report detailing the supplier's performance compared to our policy requirements and provides action items to address any performance gaps. We expect each supplier to develop corrective action plans with reasonable timelines and concurrently continue to collaborate with 3M on the resolution of identified opportunities. More information on these assessments can be found in our other [Pulp and Paper Sourcing Policy progress reports](#).

In addition to field assessments, we are working together with various partners including EF and American Forest Foundation (AFF), as well as through our supply chains, to enhance responsible forestry through various on-the-ground transformation projects. More information about past events and activities as well as ongoing projects can be found in our previous progress reports and we look forward to sharing a more detailed update on this in our November 2020 Progress Report.

Throughout our policy implementation journey, we have seen several examples of marked improvements in responsible pulp and paper sourcing practices as a result of our engagement with suppliers. These include:

- Meeting with suppliers' senior corporate executives about the importance of assuring responsible and sustainable supply chains, and agreeing to collaborate on that goal
- Suppliers establishing new positions within their companies
- Significant increases in supply chain traceability and transparency
- Increased engagement by our suppliers with their upstream supply chain
- Suppliers adopting pulp and paper policies for the first time
- Suppliers enhancing existing policies to meet the requirements of 3M's policies
- Supplier invitation to sourcing area for our pulp and paper products to understand challenges around responsible sourcing and create a path forward



What's Next

3M's work to advance responsible sourcing and sustainable forestry principles within our supply chain continues, through these and other priority actions:

- Driving performance improvements. Through desktop and onsite assessments, as well as through our Pulp & Paper Policy Scorecard Evaluation, we identify corrective actions and expect our suppliers to implement actions to advance their sustainability performance.
- Investing in transformation projects that will enhance the global pulp and paper supply chain
- Influencing and collaborating to amplify efforts. We will continue to network with peers, customers, NGOs and anyone else interested in advancing the values embodied in our Pulp and Paper Sourcing Policy.
- Advancing traceability of our supply tiers to improve visibility all the way to forest sources, enabling us to better work with our suppliers on assuring sustainable forestry practices.

Through strategic partnerships, we are continuing to increase our ability to mitigate risks and support transformation through collaboration. We are increasing efforts with pulp and paper suppliers, understanding and evaluating conformance with 3M's environmental and social expectations, which will include field visits and transformation work on the ground. We will continue to issue progress reports and will share more details about this work in our November 2020 report.



Questions?

Email: sustainability@mmm.com