3M Science. Applied to Life.™

Improving every life

Growing our business by enabling action and impact on some of humanity's greatest challenges.

2021 Sustainability Report

Science for Circular

Science for Climate

Science for Community

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A message from

Mike Roman

The pandemic has reinforced the importance of science in solving critical challenges.

The last year has brought extraordinary challenges. It has also been a time to recommit to our values, our priorities, and the difference we want to make in the world. I am proud of how 3M employees stepped up to lead during a unique moment in history.

We fought COVID-19 from every angle, including producing more than two billion respirators to help protect health care workers and first responders. Following the George Floyd tragedy in Minneapolis, we built on our history of advancing social justice by launching an ambitious plan to improve diversity, equity, and inclusion within our company and community. Equally important, we are accelerating our commitment to sustainability, a value that matters deeply to 3M employees, our stakeholders, and me personally.

We are committed to being leaders in sustainability. We have reduced our greenhouse gas emissions by 71.1% over the last two decades and moved 42.9% of our manufacturing sites to zero waste. Our global headquarters in St. Paul, Minnesota — home to 30 research labs and buildings — is fully powered by renewable electricity.

In 2020, 3M products helped our customers avoid

16.6M

tons of emissions,

the equivalent of taking 3.6 million cars off the road.

As we have for decades, we continue to advance this leadership. Earlier this year, we introduced significant initiatives as we apply 3M Science to shape a world with cleaner air, better water quality, and less waste.

3M is committing to become carbon neutral across our global operations. We expect to further reduce carbon emissions, aiming for a 50% reduction by 2030, 80% reduction by 2040, and 100% carbon neutral by 2050. These reductions will be driven by innovation that will help accelerate improvements that our world needs to address climate challenges.

Over the next 20 years, 3M will invest approximately $1 billion to deliver on our new environmental goals and support continuous improvement of our manufacturing operations.

Additionally, we expect to achieve a 10% reduction in water use by 2022 and a 25% reduction by 2030 —

saving

2.50B

gallons of water annually.

We will install advanced filtration technology by the end of 2023 at 3M's largest water-using sites and have this technology fully operational by 2024, as we move to return even higher-quality water to the environment after its use in our facilities.

These initiatives will help us build a stronger company and a more sustainable world. Over the next 20 years, 3M will invest approximately $1 billion to deliver on our new environmental goals and support continuous improvement of our manufacturing operations.

Science fuels our sustainability and societal goals. As CEO, I commit 3M's continued support for the United Nations Global Compact, and our ongoing resolve to apply science to improve lives.

Mike Roman
3M Chairman of the Board
and Chief Executive Officer

A message from

Gayle Schueller

2020 was marked by changes and challenges that grounded us all in what's truly important.

The COVID-19 pandemic and impassioned protests for social justice around the world have made our path forward very clear: We must do more for the health of our planet and its people.

For 3M, these challenges strengthened our commitment to sustainability. We made great strides toward our 2025 Sustainability Goals and across our pillars of Science for Circular, Science for Climate, and Science for Community. To help advance a circular economy, we continued to close production loops and innovate with materials to reduce our overall waste and help others do the same. We furthered decarbonization through improvements in our own operations and collaboration with our customers to help reduce our collective footprint. Aiming to create a more positive world through science, we innovated new approaches and solutions to help fight the pandemic and took significant steps to address social inequity within our enterprise and beyond.

Driving progress together

A common thread in our successes of the past year is collaboration. We recognize the importance of working across functions and organizations to spur innovation, expand our impact, and improve lives around the world. At this moment, the growing awareness of the need for meaningful change is particularly exciting, as is the momentum driving it forward. We have more opportunities than ever to work with employees, customers, governments, NGOs, and other corporations to drive real and needed change, collectively building a more sustainable future.

To emphasize the importance of these collaborative efforts, I'd like to highlight a few key examples from the past year. 3M has helped the world respond to the COVID-19 pandemic — accelerating our own manufacturing of deeply needed products as well as sharing our expertise and innovation to collaborate with other companies, universities, and nonprofits to help facilitate a robust global effort. At the same time, recognizing the growing problem of plastic waste, we reinvested in the Closed Loop Infrastructure Fund and helped drive increased recycling and circular economy infrastructure. 3M also announced a partnership with the United Nations Global Compact to advance the SDG Ambition, a program to accelerate the achievement of the United Nations Sustainable Development Goals (UN SDGs) by helping companies integrate them into their core business objectives. We are collaborating with program partners to share our leadership experience in program development and sustainability goal-setting as a diversified global manufacturer.

Advancing equity and inclusion

In recognition of the need for greater action on social injustice, our company took time to listen and understand how our full capabilities can power racial equity and inclusion within our organization and surrounding communities. We established the 3M Foundation Social Justice Fund as an initial step to put resources into organizations with a focus on legal justice, racial equity, and healing. We also formed the 3M Community Coalition, a group of diverse leaders and organizations driving real change in our communities, who will advise on plans for directing 3M's commitment of a $50 million investment to address pressing challenges and make the biggest impact. While we are hopeful that these actions will bring about positive change, we also recognize that we must do more to realize our promise and potential as a diverse, equitable, and inclusive company.

3M has committed a

$50M

investment

to address pressing challenges and make the biggest impact.

Accelerating action in 2021

We are excited to build on the positive momentum of our actions in 2020 with an invigorating start to 2021. In February, we announced that we will invest approximately $1 billion over the next 20 years to accelerate new environmental goals to achieve carbon neutrality by 2050, reduce water use by 25% at our sites, and return higher-quality water to the environment after use in manufacturing operations. We are also proud that all 3M sites in Poland and 3M Canada's head office in London, Ontario, have joined our global headquarters in powering their facilities using 100% renewable sources. These transitions help us advance our commitment to move our entire global operations to 100% renewable electricity by 2050.

As we move into the remainder of 2021, advancing sustainability and positive impact remain a core focus for our employees, operations, communities, customers, and suppliers. I would like to extend a thank you to 3M employees across the globe who remain committed to helping address the world's biggest challenges and to our customers and partners who help us put sustainable solutions in action. As always, I look forward to sharing our progress and continuing to work together to build a more sustainable and resilient world.

Gayle Schueller
Vice President and
Chief Sustainability Officer

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3M at a glance

Our Vision

3M Technology Advancing Every Company
3M Products Enhancing Every Home
3M Innovation Improving Every Life

$32.2B in sales

Sales in **~200** countries

100+ straight years of dividends

One of **30** companies on the Dow Jones Industrial average

$1.88B in R&D spend

>125K patents

51 Technology Platforms applied across four business groups

More than **800** brands

96.1K employees globally

>200 sites

50+ customer centers around the world

Over **55K** products

COVID-19 innovations

Agility in action

3M's tagline — 3M Science. Applied to Life.™— couldn't have been more relevant than it was in 2020 as we helped the world respond to the global COVID-19 pandemic.

Across the company, innovation continued as 3M adapted to the world's needs by developing solutions to help reduce the spread of COVID-19.

"This pandemic has made 3M's approach and priorities crystal clear," said Chief Sustainability Officer Gayle Schueller in an interview with the World Circular Economy Forum Online. "The safety of our employees and the public, including health care workers and first responders fighting COVID-19, has been our highest priority."

"We continue to fight the pandemic, whether through our products… or through helping advance the technologies needed to help in the development of vaccines, therapeutics, and rapid testing. We've been working hard to fight the pandemic on many levels."

Here are four examples of how 3M adapted quickly to create value for our customers and employees in response to COVID-19.

Disinfectant ready-to-use cleaner

In late 2019, Consumer Business Group's Home Care Division identified and prioritized disinfecting solutions as a new opportunity to pursue. When the pandemic reached the U.S., consumers became hyperaware of hygiene, causing an unprecedented demand for cleaning products.

Store shelves were empty, and availability was low. In order to help, "We knew we needed to accelerate our entry into this space," says Global Emerging Platforms Leader Amanda Dauphinais. Her team quickly reviewed the existing product options within other parts of the company and identified a disinfecting product from the Commercial Solutions Division called **3M™ TB Quat Disinfectant Ready-to-Use Cleaner**. The product, which cleans, disinfects, and deodorizes in one step, was originally created to kill germs related to tuberculosis (hence the "TB" in the name).

Used in commercial applications, the product was also approved for home use on its existing EPA master label and had a product claim of killing 99.9% of germs and household bacteria.

The Home Care team got to work, and in only 51 days, the product was brought to the consumer channel. As of July 2020, 3M was producing more than 600,000 bottles per month, and the product was available in more than 3,500 stores. Giving consumers a highly effective cleaning option in such a short time frame was not an easy feat. Dauphinais credits 3M's collaborative technology culture, cross-functional teamwork, and supportive senior leadership as keys to success. An added benefit is the recyclability of the empty product bottles and shipping boxes.

Reusable face masks

The **3M™ Daily Face Mask** launched during the global pandemic in 2020. Consumer research drove many of the reusable mask's design features, including its color. The three-panel design conforms to the face, making it more comfortable while keeping it in place. "We wanted to offer consumers a mask that was both breathable and reusable," says 3M Global Business Leader Scott Fairbairn. The main packaging contains 30% post-industrial recycled content, and the shipper also contains recycled content.

Hand sanitizer

As 3M sites accelerated production of products to help in the fight against COVID-19, many began running out of hand sanitizer. Site workers relied on hand sanitizer as a rinse-free alternative to hand-washing to kill germs and help with hygiene on the job. The 3M site in Cordova, Illinois, had most of the materials needed to produce hand sanitizer, and using COVID-specific FDA guidance, they pivoted quickly to help. Three days after the team committed to the project, they produced their first batch of hand sanitizer. The Cordova site has shipped the hand sanitizer to more than 50 3M sites in the United States and Canada.

Learn about a similar project in Belgium in the **3M Zwijndrecht site spotlight**.

3M also launched a consumer-facing hand sanitizer, with recyclable empty bottles and shipper boxes, to help in the public fight against the spread of COVID-19. The hand sanitizer is now available in nine countries across four areas: United States/Canada, Europe/Middle East/Africa, Latin America, and Asia.

Reusable respirators

In early 2021, 3M introduced an exhalation valve filter with a 99% BFE (Bacterial Filtration Efficiency) for the 3M™ 6000 Series Half Facepiece reusable respirator, giving health care workers a reusable alternative to the disposable N95 respirator.

The first priority has been to protect 3M's

96.1K

employees,

many of whom are essential workers.

"It's great that 3M is bringing our technologies to bear in so many unique ways as we work to tackle the pandemic.

We are staying focused on our customers, using our innovation and operations to help them work through the challenges they face."

John Banovetz
Chief Technology Officer

COVID-19: a catalyst for unprecedented collaboration

During January and February 2020, Rodney Hehenberger, global R&D leader for respiratory protection at 3M, was part of a team focused on getting the right respirators to the right places around the world as COVID-19 was spreading.

In March, when the World Health Organization declared it was a global pandemic, he began receiving calls from companies wanting to help 3M as it worked to meet the surging demand for its respirators.

In a matter of days, 3M created the External Collaboration Resource Team (ECRT) to vet offers from what eventually totaled more than 1,100 external contacts wanting to help. “It took a great deal of internal collaboration to respond to them,” Hehenberger says. “This was a social imperative. We were moving a hundred miles an hour in about a thousand directions, but we had an unequivocal priority: to deliver qualified respirators to as many people as possible, as quickly as possible.”

Collaborations included one with engine manufacturer Cummins and another with Ford Motor Company. Both were instrumental in increasing production of PAPRs (powered air purifying respirators). PAPRs use a battery-powered blower to send filtered air into a hood that covers the face. This can help provide increased levels of respiratory protection for aerosol-generating procedures for front-line health care workers.

Cummins and 3M collaborate on filters

Cummins was one of the companies that reached out to 3M, offering help. "I didn't know much about Cummins, so I was looking them up online and their auto filters kept popping up," Hehenberger says. He remembers thinking that their auto filter looked a lot like a 3M PAPR filter. "I thought, 'if they can adapt their auto filter, it could give us the ability to manufacture more PAPRs.' It was serendipitous because it had nothing to do with what they originally called us for," he says.

On a Friday evening, he contacted the Cummins team to discuss filters. Overnight, a 3M engineer sent Cummins the product drawings, and the next morning the Cummins R&D team said, "Yes, we can build this," and requested some 3M parts.

By Sunday afternoon, Cummins had the parts, both companies had their teams in place, and they started the project. "Forty-eight hours earlier, we didn't even know each other's names," Hehenberger says.

Guided by 3M's design, employees in Cummins' facility in Neillsville, Wisconsin, modified existing equipment normally used to produce diesel engine filters to make the high-efficiency particulate filters used in PAPRs.

The relationship increased the current production of the filters severalfold, which was needed as 3M ramped up PAPR production to meet the huge increase in demand.

Ford builds new PAPRs with 3M's help

In late March, 3M announced a separate collaboration with Ford Motor Company regarding the production of PAPRs. With 3M's design guidance, Ford began production of the Ford Limited-Use Public Health Emergency PAPR made from off-the-shelf parts like seat fans for F-150 trucks and power tool batteries. The PAPRs were rapidly designed in close collaboration with 3M and prototyped and approved in less than 40 days.

By May, more than 10,000 of the newly designed PAPRs shipped from Ford's facility in Michigan to select 3M-authorized U.S. distributors, who delivered the respirators to health care facilities for their workers.

In addition to collaborating with 3M to build their own PAPR, Ford sent dozens of engineers to 3M manufacturing facilities throughout the United States to share their expertise, which helped increase the production of 3M's PAPRs and N95 respirators.

"The value they brought with their engineering bandwidth was impactful," says Hehenberger.

Other collaborations create innovative solutions

3M continues to work in innovative ways with many other companies to help in the fight against COVID-19, including partnering with Nissha Medical Technologies to develop a face shield with anti-fog capabilities to improve the visibility and comfort of health care providers during prolonged clinical wear.

For more information, see how 3M is **helping the world respond to COVID-19**.

The PAPRs were designed, prototyped, and approved in less than 40 days.

Extending product life° helps reduce electronic waste stream

What does a doctor do when her 3M™ Littmann® Stethoscope needs repair? What does a hospital do when its patient warming device needs a new part?

Keeping 300,000 electronic devices in working order each year, instead of in landfills, is the mission of 3M's Health Care Service Group (HCSG). The HCSG provides service and support for more than 50 different 3M health care products in the areas of Medical Solutions, Food Safety, Oral Care Solutions, and Negative Pressure Wound Therapy.

With repair locations in 18 countries around the globe and connections with over 80 authorized service providers, "the work of the HCSG has become a pivotal intersection for 3M's Science for Circular pillar," says Lisa Schmit, service manager for 3M's Health Care Business Group.

How does the HCSG intersect with the circular economy?

The work of the HCSG supports the second guiding principle of the Ellen MacArthur Foundation: Keep products and materials in use. In 2019, 3M joined the Ellen MacArthur Foundation, the world's leading circular economy network.

Joining the Ellen MacArthur Foundation is part of 3M's strategic focus on Science for Circular and builds on the ambition to design solutions that do more with less material while advancing a global circular economy.

When a customer needs service on a device, they send it to the HCSG, where it is repaired.

Then, it is tested and calibrated prior to being returned to the customer. "We are reducing the electronic waste stream and extending the life of that product — so instead of the customer throwing their device away, we're participating in the circular economy by keeping that device up and running for our customers," explains Schmit.

Solution-focused teams

The Health Care Service Group does more than repair devices. The group consists of four teams with distinct roles.

Operations: The Oakdale, Minnesota, site is the HCSG Center of Excellence (COE) and the source of supplies for all service parts globally for Medical Solutions, Oral Care Solutions, and Food Safety. The COE sends out approximately 100,000 parts each year and also trains 3M global service centers and provides them with onboarding for servicing newly launched products. The COE also leads communication on upgrades, defects, and recall execution on all hardware and software. The San Antonio, Texas, site is the COE for Negative Pressure Wound Therapy (NPWT) devices and sends out approximately 2.5 million NPWT service parts globally each year.

Technical Support: This team handles phone-based technical support and troubleshooting.

Bench Repair: Located throughout the globe, these teams manually repair the devices and aim for a turnaround time of 48 hours once they receive the product needing repair. This effort has grown 50% in the last five years for NPWT alone, reducing electronic waste.

Service Engineering: As a part of the New Product Introduction (NPI) process, service engineers make sure new hard goods products are designed with serviceability in mind, driving toward solutions that provide long-term service and support of the device. For example, the product design and servicing processes for the new 3M™ Littmann® CORE Digital Stethoscope were developed to include efficient, reliable servicing via the customer self-service Littmann Warranty and Service website.

Recycling packaging

Sometimes reevaluating the packaging of a device can help drive sustainability and circularity. A great example is 3M's patient warming system. The Bair Hugger™ helps maintain patients' normal body temperature by gently dispersing warm air through a disposable blanket or hospital gown.

When a Bair Hugger unit is shipped to a customer, it is packaged using two-part injectable foam molding. Looking for a more sustainable solution, the HCSG updated the packaging used to send the repaired product from the service center back to the customer. They now use an all-corrugated cardboard packaging solution instead of the two-part injectable foam. It was a huge win for them — not only does it take up less space, but it is also recyclable.

Making strides

embedding sustainability into new products

Sustainability is a core commitment of 3M, and we always want it to be top of mind in our operations and our products.

To make it a focus from the outset, in 2019 3M made it a requirement that every product entering our new product commercialization process must include a Sustainability Value Commitment (SVC). This formal requirement is designed to embed sustainability into the pipeline of every new product 3M launches each year. As a part of the process, every new product must show how it will drive impact for the greater good — for example, by demonstrating reusability or recyclability appropriate to the specific product throughout its life cycle.

2019 was a learning year, as teams began determining how to incorporate the SVC requirement into their new product plans. By the end of 2019, all active projects initiated in 2019 included an SVC. In 2020, the initiative evolved in several ways. “We made big strides,” says 3M Sustainability Manager Kristell Miller. 3M strengthened the SVC requirement in 2020 in three main ways:

- We strengthened the questions asked during the new product approval process. New products must pass through three separate reviews: business case acceptance, development, and scale-up. Products must have an SVC that passes each review in order to move forward.
- We shared the United Nations 17 Sustainable Development Goals (SDGs) with teams and had them choose SDG(s) to which the new product could contribute.
- We conducted an internal SVC quality audit to analyze the process and content of SVCs.

Audit findings and opportunities

In mid-2020, 3M conducted an internal audit of all active projects being tracked in our new product commercialization process. The goal was to determine if SVCs submitted met baseline quality expectations and contributed to the overall goals and objectives of the SVC initiative.

The audit revealed that, overall, teams are doing a good job incorporating SVCs into new product plans, but it also uncovered some opportunities for improvement: Teams across all four business groups identified meaningful sustainability value commitments related to circular, climate, and community, but they did not always quantify the benefit. "Initially, the SVCs were broad, such as saying a product reduced waste — but now we are working to measure the attributes, which increases the robustness of the initiative," explains Miller.

3M developed and began offering four separate group training sessions to help teams with the process: Sustainability Value Commitment (SVC) Workshop101, Quantifying Attributes in Science for Circular, Quantifying Attributes in Science for Climate, and Quantifying Attributes in Science for Community. Going forward, the workshop content will continue to be refined and expanded and offered as a rotating series to 3M product development teams.

Every new product must show how it will drive impact for the greater good.

Here's how SVCs came to life for three products that launched in 2020:

Scotch® Box Lock™ Packaging Tape sticks instantly to any box, including harder-to-stick-to 100% recycled boxes. Its extreme grip ensures boxes stay securely sealed, even during rough handling.

SVC:

- Made with strong, durable, solvent-free hot melt adhesive that seals and protects
- Works on all box types, including 100% recycled cardboard boxes
- Seals with one strip — you don't need layers of tape

Scotch-Brite® Advanced Scrub Dots Non-Scratch Scrubbers are designed to rinse clean, resist odors, and dry fast. The easy-to-hold hexagonal shape and thick scrubbing pad are designed to work hard and last long.

SVC:

- Scrubbing fibers are made with 75% recycled content
- Dot-printed web and small foam pores help this product use less water to rinse clean and less soap for more lather than traditional cellulose
- Packaging is made from 100% post-consumer recycled cardboard and is recyclable

Scotch-Brite® Greener Clean Non-Scratch Scrubbers keep more than just your dishes clean. Inside and out, this durable scrubber is made with 75% post-consumer recycled plastic. The soft foam alternative creates a rich lather, while the recycled plastic netting scrubs away everyday messes.

SVC:

- 75% of the product is made with post-consumer recycled plastic, both inside and out
- No glue
- Dye-free
- 100% recycled content and recyclable packaging

As we continue to strengthen the SVC program, a main focus is exploring how to incorporate social justice and pandemic response into the SVC requirement.

Stakeholders weigh in on our Sustainability Framework

How can a diversified company like 3M determine what our stakeholders expect of us when it comes to sustainability?

We want to better understand the way our external reputation and leadership opportunities relate to our sustainability efforts.

One way we do this is through a materiality assessment — a comprehensive review that helps 3M identify priority issues and actions and helps evolve and enhance our company's sustainability strategy.

To gather this critical information, 3M commissioned in-depth reports through an independent research consultancy called GlobeScan in 2014, 2016, 2018, and again in 2020.

"The materiality analysis is the bedrock of strategic planning," says GlobeScan Director Eric Whan. "We need a future where business can thrive and where society can thrive also. They go hand in hand. You can't have a successful business in a failed world."

How the study was structured

The 2020 study explored people's perceptions of 3M's sustainability strategy and its three pillars: Science for Climate, Science for Community, and Science for Circular.

The initial portion of the study was a survey that included customers, suppliers, and external stakeholders (NGOs, corporate/private sector, academics, government, media, finance, etc.) and was representative of 3M's four business groups and all regions of operations.

In the survey, these stakeholders were given prompts about more than two dozen specific topics.

Issues and opportunities identified in the materiality survey were further explored through qualitative in-depth interviews with a diverse group of stakeholders in order to add context, nuance, and strategic insights to the initial study findings.

One of the objectives of these interviews was to understand perceptions and expectations of 3M, both in the current, evolving context of the COVID-19 pandemic as well as from a long-term perspective.

3M's key stakeholders included internal as well as external audiences, so it was important to capture and understand the perceptions of both groups. A separate survey of 3M's employees was also analyzed and incorporated into the research findings.

What we learned from 3M employees

3M employees rated workplace safety, air quality, and sustainable manufacturing as the top areas where 3M is seen as demonstrating leadership. Reducing plastic and packaging waste, sustainable manufacturing, and designing products for a more circular economy are rated by employees as the top issues that 3M can impact.

What we learned from external stakeholders

Climate change and reducing plastic and packaging waste are the most important issues that stakeholders think 3M should address and are also seen to pose among the most significant risks to the world over the next five years.

When asked, most respondents were not familiar with 3M's Strategic Sustainability Framework, but once they were introduced to the strategy, it was generally well perceived. 3M's Science for Climate pillar was the most interesting to respondents, with external stakeholders expressing an interest in science-based targets and goals, reduced emissions, and more active engagement in climate change advocacy in order to make a difference in this area.

Stakeholders expressed interest in the Science for Circular pillar and would like to see 3M engage in more innovative, circular product development, use materials more responsibly, and collaborate with others to drive large-scale solutions. Regarding the Science for Community pillar, stakeholders would like to see 3M engage in educational initiatives and provide support for local communities to become empowered through sustainability — both of which we are already doing on a broad scale.

"Taking the science-based approach is critical," said one stakeholder from an NGO. "I think that Science for Community on the face sounds good, but it's a little vague. To be fair, we are all figuring out how to evolve science-based thinking beyond carbon and water and things like that, so social sustainability is an emerging, evolving field and may be an opportunity for 3M to be a real leader in this."

The insight from the 2020 assessment will inform 3M's long-term strategies and direct our efforts to areas in which we can have a significant impact across our value chain. See the **Materiality** section for more information.

Climate change and reducing plastic waste

are the most important issues stakeholders think 3M should address.

"The materiality analysis is the bedrock of strategic planning.

We need a future where business can thrive and where society can thrive also. They go hand in hand. You can't have a successful business in a failed world."

Eric Whan
GlobeScan Director

Global survey casts strong light on sustainability

For the last four years, 3M has conducted the annual State of Science Index (SOSI), a 14-country global survey that tracks attitudes about science.

In 2020, we conducted two surveys. The first wave was conducted before the pandemic hit, and the second wave was fielded about six months into the pandemic. This research captured how science is perceived against the backdrop of the coronavirus outbreak, allowing us to compare and contrast pre-pandemic and mid-pandemic attitudes around science.

Four key themes emerged from SOSI in 2020

Theme 1: Trust in science is on the rise. COVID-19 is a factor; 92% believe we should use science to contain the pandemic.

Theme 2: Sustainable solutions remain an important focus. Even amid COVID-19 concerns, sustainability remained a clear priority.

Theme 3: STEM equity and gender/race inequality are barriers that impact our future. According to the SOSI data, 27% cite some form of inequality (race, ethnicity, gender) — and this surges to 50% in the United States.

Theme 4: Science leadership provides an opportunity for collaboration and shared responsibility. Who is responsible for furthering the development of science to solve the world's problems? Most believe governments should have the primary responsibility, but there's also the feeling that corporations, nonprofits, and individuals should also play a role.

"I was certainly pleased to see that people didn't take their eye off the climate ball in the face of the pandemic."

Gayle Schueller
Chief Sustainability Officer

"...What we found as the year progressed is that 2020 is the year of Science for Community.

Whether it's the pandemic or social justice challenges, it's about how we can help address critical issues in the community pillar."

Gayle Schueller
Chief Sustainability Officer

Sustainable solutions a focus

Before the pandemic, climate change was the priority that respondents felt science should prioritize after health care. In fact, the top five issues following health care all related to the environment: climate change, air quality, ocean plastics pollution, clean water supply/sanitation, and access to renewable energy sources. During the pandemic, when asked what people most wanted science to solve for during this time, health care issues (e.g., coronavirus), unsurprisingly, was the top response, but next in line were social issues and helping mitigate the effects of climate change. When people were asked about the negative consequences if people don't value science, the top concern was risks to health care, and the second-highest concern was risks to the environment.

"I was certainly pleased to see that people didn't take their eye off the climate ball in the face of the pandemic," says Chief Sustainability Officer Gayle Schueller. "We were concerned about it, so that's why we asked the question."

She added that while the SOSI 2020 results hit on each of 3M's sustainability pillars (Science for Climate, Science for Circular, and Science for Community), "we entered 2020 thinking this would be the year of Science for Climate and that we'd be putting our primary focus there. What we found as the year progressed is that 2020 is the year of Science for Community. Whether it's the pandemic or social justice challenges, it's about how we can help address critical issues in the community pillar. That's been a big 'aha' for us."

The SOSI results are public, and the hope is that governments, businesses, NGOs, and more will find value in them and come together to create solutions. But how does 3M use the results?

3M's Chief Science Advocate Jayshree Seth sees SOSI impacting sustainability for 3M in three primary ways.

1. **Foster a conversation.**
   "We want to call attention to the fact that everyone should do what they can to support sustainability and sustainable solutions," Seth says.

2. **Inform our own strategies.**
   The SOSI results are being used differently and strategically across 3M's four business groups and in the 14 countries we surveyed.
   "SOSI helps guide the conversation, investment, and strategy for the business in the different countries," says 3M Science Advocacy Communications Manager Robert Brittain. Schueller herself is using the SOSI results on a weekly basis.
   "If we can't do everything, how do we prioritize? The SOSI results provide additional insight that helps us identify where to focus," she explains.

3. **Guide what we're doing externally.**
   Decisions around who we support, how we support, and why we support can be informed by the SOSI data. For example, it makes sense for 3M to continue to support STEM initiatives for underrepresented minorities because the SOSI data shows a gap there: Lack of access to a good STEM education, especially among underrepresented minority groups, is a barrier to future advancements in science and technology.

Keeping wind turbines in shape with coatings and tape

In the 1960s, 3M's Aerospace Division developed a special tape that helped protect the rotor blades of military aircraft from damage caused by sand and other environmental factors.

Decades later, this technology has been optimized and adapted to serve a new use: wind energy. It turns out that the blade of an aircraft is similar to the blade of a wind turbine, but instead of sand, the primary cause of damage and erosion to a wind turbine is rain.

"From a distance, it may not seem like a wind turbine is moving very fast," says 3M Global Wind Portfolio Leader Thomas Hardy. "But in reality, the tip of the blade can travel in excess of 200 miles per hour." Each raindrop that strikes a turbine creates a tiny shockwave through the blade surface. The force of these shockwaves over time cracks and breaks apart the composite; once the blade surface starts to crack, the splashing raindrops rip at those weak points, causing erosion. Once material loss begins to occur, turbine efficiency starts to decline significantly: Data shows power losses can exceed 5%, which means 5% less revenue for wind farm owners and 5% less renewable wind energy being produced.[1]

"The return on investment for protecting blade leading edges is very compelling, so turbine owners are increasingly opting for protection solutions."

Mike Strommen
Global R&D Leader

That doesn't even include the revenue and energy lost from days of turbine downtime or the expense to repair erosion-damaged blades in the field. Multiply that times the 58,000 wind turbines in the United States and more than 340,000 globally, and the potential losses become quite significant.

While the lifespan of an average wind turbine is 20 to 25 years, the turbine blades can begin eroding after just a few years.[2] Industry trends will cause the erosion problem to worsen, including:

- Longer blades with higher tip speeds
- Offshore installations
- Installations in other demanding environments like deserts and cold climates

The 3M Electrical Markets Division makes two types of products that protect the blades that power this clean energy source: 3M™ Wind Protection Tapes and 3M™ Wind Blade Protection Coatings. The majority of the applications for these products are in the Original Equipment Manufacturer (OEM) segment, where the tapes and coatings are applied in the factory in a controlled environment.

A new customer for 3M's wind tapes and coatings is the aftermarket customer — the hundreds of wind farm owners around the world. They have gained a growing awareness of the erosion problem and the need to protect turbine blades. "These are their assets. Protecting them with our tapes and coatings helps assure ongoing profitability for their wind farms while supporting the global transition to clean energy," Hardy says.

One reason wind farm owners are becoming more aware of the damage to their turbines is the advent of low-cost drones. Ten years ago, physically inspecting the blades was very expensive. Now, it's standard operating procedure to send low-cost drones up once a year to get high-resolution photos of the leading edges of blades. Because of this, the industry is starting to understand the extent of damage and the resulting power loss from eroded edges. "The return on investment for protecting blade leading edges is very compelling, so turbine owners are increasingly opting for protection solutions," says 3M Global R&D Leader Mike Strommen.

Repairing the blades is no small feat and is incredibly expensive. Protecting them before erosion occurs is the most cost-effective option. "When it comes to wind erosion protection, you have one shot to get it right," explains Paolo Rocca, 3M Canada renewable energy expert. "You're going to be over 200 feet in the air; you need a solution that is fast and reliable. That's 3M™ Wind Protection Tape." An added benefit is the tape's ability to be installed in a wide range of temperatures and weather conditions, extending the maintenance season and allowing more turbines to be serviced each year.

"One of the great things about 3M tape is its history and proven track record," says Bladefense North America CEO Ville Karkkolainen. "There's a lot of confidence in the product."

Moving to a more sustainable world requires a transition to clean sources of energy, like wind. 3M products that support the wind energy market are a key part of our Electrical Markets business, and another way Science for Climate comes to life in our company.

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[1] *Sandia National Laboratories. https://energy.sandia.gov/programs/renewable-energy/wind-power/blade-reliability/leading-edge-erosion/*

[2] *Renewables First. https://www.renewablesfirst.co.uk/windpower/windpower-learning-centre/how-long-do-wind-turbines-installations-last/*

Healthy forests for a better world

The Tsay Keh Dene Nation is a First Nations community in British Columbia, Canada, whose territory includes some of the world's only remaining intact forests.

In addition to being the home of many First Nations communities, the Great Northern Forest (a boreal forest) provides the world with crucial carbon sequestration services and is a habitat for caribou and other endangered species.

The Tsay Keh Dene traditional territory is near the Ingenika River, which is of crucial importance to them historically, ecologically, culturally, and spiritually. 3M is committed to sourcing from forest areas where High Conservation Values (HCVs) are protected.

In 2020, 3M and its community-based partner Earthworm Foundation began working with the Tsay Keh Dene to help define which areas might be acceptable for harvesting for pulp and paper products and which areas must be left alone to preserve their ecological values and cultural traditions.

The Earthworm partnership

Earthworm Foundation is a nonprofit organization with expertise in implementing responsible sourcing policies and improving forest management practices across global supply chains. They helped 3M build a robust Pulp and Paper Policy in 2015 and develop a responsible sourcing program that includes implementing supplier requirements and identifying opportunities for continuous improvement.

"Earthworm really guided us through this process and helped us develop a policy that reflected 3M's values," says Kate Shelton, 3M supplier sustainability lead. "It was an important step for us."

Full supply chain traceability

A unique aspect of the policy is that 3M requires full supply chain traceability. It's part of 3M's goal to assure that the virgin wood fiber used in our pulp- and paper-based products and packaging (like sponges, Post-it® Notes, and many others) comes from sources that protect forests and respect people's rights.

3M does not own or manage forest land, so our policy is designed to set standards of excellence for our suppliers and their suppliers. "If we are buying from a paper supplier, we need to know the paper source and where the pulp is manufactured to make the paper. Then, we want to know where the pulp company gets its fiber," Shelton explains.

"We are bringing multiple voices to this chorus and amplifying the work that this Indigenous group is doing."

Chris Raynham
Earthworm Foundation

Collaborative approach to transformation

Earlier in the relationship, Earthworm guided 3M on working with suppliers to get full traceability and to help those suppliers understand 3M's responsible sourcing commitment. "Now, 3M has internalized a lot of this work because they know how to engage suppliers on these complex issues, which is exactly what we want to see," says Earthworm Foundation Forester Chris Raynham.

The work has shifted to address the responsible sourcing opportunities in the supply chain, including collaborating with our suppliers as well as with other stakeholders and First Nations communities like the Tsay Keh Dene. "We are bringing multiple voices to this chorus and amplifying the work that this Indigenous group is doing," says Raynham. "There is power in 3M saying that this matters to the Tsay Keh Dene, but it is also important to us, and we want it to be important to our suppliers who are connecting us to this landscape." In November 2020, 3M co-hosted a webinar for suppliers to raise awareness about harvesting in these special areas and to work together toward solutions.

"Earthworm uses science-based data and research to inform us," says Shelton. "At 3M, we appreciate applying science-based rigor to our policy positions, including for the pulp and paper supply chain."

Supporting the American Forest Foundation

Another way 3M helps maintain healthy forests is by working with the American Forest Foundation (AFF). In 2020, we supported the Sustainable Forestry and African American Land Retention Program (SFLR) at AFF, which through eight community-based organizations located across the southeastern U.S. assists African American landowners to increase income and resiliency by turning their family forests into sustainable economic and conservation assets. It's a way for these landowners to derive income from their often ancestral land and keep it in their family for future generations.

Forest health directly impacts 3M's Science for Circular, Science for Climate, and Science for Community pillars, and we continue to champion sustainable forestry and transparent, responsible supply chains.

"At 3M, we appreciate applying science-based rigor to our policy positions, including for the pulp and paper supply chain."

Kate Shelton
3M Supplier Sustainability Lead

Shrinking potatoes and liquid fireworks: helping kids experience science while distance learning

Soap boats. Rubber band guitars. Cotton ball launchers. These are just a few of the science projects that are part of 3M's Science at Home program, designed to provide fun, educational science experiments for students ages 6 to 12.

Science at Home launched in April 2020 to offer accessible, hands-on science to the 55 million students across the United States who were suddenly learning remotely after schools closed due to the COVID-19 pandemic.

The online video library contains more than 20 experiments, each featuring a 3M scientist, engineer, or a special guest — including Miss America 2020 and a Minnesota Vikings football player — performing a simple experiment that follows the Next Generation Science Standard (NGSS). Many states use NGSS to measure science-related education.

Educators can use this free content in their classrooms, and parents and kids can do the experiments safely together at home. The experiments use common household items like tissue boxes and rubber bands and include step-by-step instructions. "You learn more by doing," says 3M Science Advocacy Program Manager Robert Brittain. "Making it easy, making it accessible — that's the whole key to this. You don't have to go out and buy something special. You can do it in 10 minutes."

When creating the framework for the series, the 3M team worked to make sure it would appeal to both boys and girls. "It was very important to me that the experiments connected to real-life examples," says 3M Chief Science Advocate Jayshree Seth. "Without that, we could lose a lot of girls. Studies, and my own experiences with my children, have shown that while it may be sufficient for boys to just have the content, girls will typically want to know more about the context."

As an extension of 3M's long history of promoting science, technology, engineering, and mathematics (STEM) education, each experiment was recorded, without fanfare, in the home of the person demonstrating it. "It was raw and real. There is something about that relatability that I would sign up for any day because it is so authentic and representative of what people are going through," Seth adds.

Once the initial series was complete, it became evident that distance learning and hybrid teaching models would continue into the 2020–2021 school year. Seeing an ongoing need, 3M extended the Science at Home series, adding new content and video experiments to the site.

3M didn't do it alone: We worked closely with several educational partners to help bring the program to life, including Discovery Education, St. Paul Public Schools, Scientific American, and the Bakken Museum in Minneapolis.

The series has been well received by parents, teachers, and students, with more than 55,000 video views and 50,000 visits to the U.S. Science at Home webpage alone. "My seven-year-old daughter wants to be a chemist when she grows up, so we've had a lot of fun doing these experiments at home and learning some basic foundational concepts like chemical reactions, surface properties, lab safety, etc.," says 3M Global Product Marketing Manager Anne B. McGuire. "We found the activities covered a good variety of concepts and were easy and exciting to conduct. I especially appreciated the diversity of presenters representing different ages, genders, and ethnic backgrounds," she adds.

Although Science at Home was built for an American audience, the need extended beyond the United States. In April 2020, more than 1 billion students around the world were learning remotely due to the pandemic.

3M expanded Science at Home globally to countries including Japan, South Korea, Singapore, Australia, the United Arab Emirates, Mexico, Brazil, and Middle East Africa to further support STEM learning resources for teachers, caregivers, parents, and students. Each participating country adapted the program and its content to meet the needs of their specific audiences. For example, 3M Taiwan collaborated with the Discovery Channel, launching a "Life Science Adventure" online challenge featuring science behind the scenes of everyday life. The program includes online interactive sections that feature rarely known facts about science.

As a parent and scientist, Seth is proud to be part of Science at Home. "It made me feel, on a personal level, that I was contributing," she says. "We all have a responsibility, whether you're a scientist or not, to raise the next generation to have a basic awareness and appreciation for science. This includes being exposed to a scientific mindset and having a level of science literacy that will benefit their understanding of the world around them."

The online video library contains more than

20

experiments.

"Making it easy, making it accessible — that's the whole key to this. You don't have to go out and buy something special. You can do it in 10 minutes."

Robert Brittain
3M Science Advocacy Program Manager

Listen, understand, and act:

committing to an ambitious social justice agenda

On May 25, 2020, George Floyd, a 46-year-old Black man, was killed in Minneapolis, Minnesota, just 15 miles from 3M headquarters.

The resulting protests and civil unrest expanded across the United States and the world. This horrific event spurred a transformation within 3M — one that resulted in a commitment to social justice on a scale never before seen in our company's history.

Listening and understanding

Immediately following George Floyd's death, CEO Mike Roman announced a framework to listen, understand, and act. Over 5,000 employees globally participated in a virtual conversation, expressing their feelings and ideas. Senior leaders held their own listening sessions in order to truly understand the challenges faced by Black/African Americans. It was the beginning of a journey to understand and led to 3M taking a series of immediate, impactful actions.

Over 5,000 employees globally participated in a virtual conversation, expressing their feelings and ideas.

"It's a holistic approach and is set up to drive lasting, systemic change so we can truly be proud to be a purpose-driven enterprise."

Garfield Bowen
Director of Social Justice Strategy and Initiatives

Leading the way

One of the first steps was the creation of a new leadership role: 3M's first-ever director of social justice strategy and initiatives, Garfield Bowen. We're not aware of any other company that currently has a leadership role dedicated solely to social justice strategies and initiatives as 3M does. Bowen is uniquely qualified for the role with many years of leadership experience at 3M. "Being Black in America is like a second job," he says, "and I've lived it. I grew up in Jamaica where the majority of the population was Black. When I moved to Minnesota, I was suddenly part of the minority. Like so many of my African American colleagues, I have one job to do because I'm Black, and another job to do that is my day job," he explains. "Our leaders are learning through listening so together we can be part of the solution. There's been a hunger for increased understanding, and that happens when we listen."

3M created another new leadership role to accelerate our efforts to advance diversity, equity, inclusion, and social justice, naming James Momon as vice president, Equity & Community and chief equity officer. The new Equity & Community organization pulls together the 3M teams leading diversity, equity, and inclusion; 3Mgives; as well as Bowen's new social justice strategy group. This structure creates synergies and the opportunity to amplify and accelerate 3M's mission toward equity in our workplaces, business practices, and communities.

Doing the work

3M activated 10 workstreams to create actions focused on talent acquisition, open and candid conversations, leadership and development opportunities, supplier diversity, government engagement and policy, and more. Ninety people have been appointed by senior leaders to take on lateral assignments across the company to drive this body of work and weave it into the fabric of our company. The workstreams are grounded on two platforms for change.

Platform 1: Racial justice for the future of work

We have a unique capability to address workforce disparities based on the skills gaps created by automation, factories of the future, and the digitization that is needed to drive enterprises. Lower-order jobs are being displaced, and we recognize that the majority of people occupying those jobs are Black/African American and Hispanic/Latino individuals. "We want to leverage our global capabilities as a science, technology, and manufacturing leader to bridge those gaps in marginalized communities," Bowen says.

The workstreams in this platform include:

- STEM & Skilled Trades
- Community Coalition
- Government Engagement & Policy
- Sourcing — Supplier Diversity
- Sustainability

Platform 2: Empowering an inclusive culture

Inclusivity has been a focus at 3M for years, and while we've made great progress, we know we have much more work to do to fully unleash the power of inclusion that will drive a better 3M.

The workstreams in this platform include:

- Accelerating Workforce Diversity
  - Workforce Planning & Acquisition
  - Internal Process Review
- Training & Development
- Racial Inclusion Advocacy
- Business Group Engagement

Bowen, in his new role, is most excited about the ability to truly drive systemic change using this integrated and comprehensive approach. "We recognize that we need to work with government and community partners; we have to work on our internal practices; we have to mobilize our employees; and we need to drive equity throughout our value chain," he says. "It's a holistic approach and is set up to drive lasting, systemic change so we can truly be proud to be a purpose-driven enterprise."

See the **3M 2020 Global Diversity, Equity & Inclusion Report** and the **Employee diversity, equity, and inclusion** section for additional information and the announcement of new goals.

Helping companies and the world solve global challenges

Climate change, poverty, and health crises like COVID-19 are just a few of the many global challenges that need to be addressed.

In 2015, the United Nations (UN) adopted a plan to tackle these and other challenges over the next 15 years. Referred to as "Agenda 2030," it's a path defined by 17 specific Sustainable Development Goals, or SDGs. Fulfilling these ambitions is possible but requires effort by all sectors in society — and business will play a very important role in the process.

There is power in collaboration, and strategic partners like the UN amplify 3M's impact while building awareness with key stakeholders and audiences. 3M's ongoing partnership with the UN includes participation in the United Nations Global Compact (UNGC), the largest voluntary corporate sustainability initiative in the world.

There is power in collaboration, and strategic partners like the United Nations amplify 3M's impact.

Investing in the power of business to advance SDGs

In 2020, 3M and the UNGC announced 3M's sponsorship of SDG Ambition, a program to accelerate achievement of the SDGs by helping companies integrate them into their core business objectives. As Patron Sponsor of SDG Ambition, 3M will collaborate with program partners like SAP, Accenture, and the UNGC to provide leadership in program development, lending expertise in sustainability goal setting, and bringing an advanced manufacturing perspective.

3M helped guide and develop the curriculum of the first Accelerator Workshop in January 2021, participated in the program, and will assist with curriculum development for future workshops based on initial learnings. 3M CEO Mike Roman will participate as a speaker in upcoming UN thought leadership events.

Connecting 3M's work to SDGs

3M technology is helping to advance the SDGs. Following are examples of how products and initiatives in three very different parts of 3M support SDGs:

Transportation Safety Division

SDG 3.6: By 2020, halve the number of global deaths and injuries from road traffic accidents.

3M's Transportation Safety products contribute to safer roads. Sign materials enhance low-light visibility of road signs, and higher-visibility vehicle markings improve vehicle conspicuity.

Health Care Business Group

SDG 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.

3M contributes to the realization of universal health coverage by providing solutions that reduce the risk of infections and by providing resources that increase access to care, including:

- **Health care worker and patient protection.** Personal protective equipment (PPE), hand hygiene, skin protection, and other solutions help protect health care workers and patients against healthcare-associated infections (HAIs). This is especially critical now, as we fight the COVID-19 pandemic.
- **Reduction of bloodstream infections.** 3M antimicrobial dressings nearly halve the risk of catheter infections. Other 3M accessories minimize the risk of infections aligned with global protocols.
- **Dental care education.** The Smile Around the World program taught basic oral hygiene practices to over 3,000 elementary schoolchildren in China.

Personal Safety Division

SDG 8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

3M is improving occupational health and safety by:

- **Capacity building.** 3M transfers our knowledge to national institutions. We shared best practices and educated policymakers, researchers, and labor inspectors in Indonesia, the Philippines, and Thailand. We also partnered with leading universities in China to create the first two occupational health majors in the country.
- **Helping to inform science-based regulatory frameworks.** We are active in standards development in over 75 countries, participating in 220 standards development committees and in over 70 occupational health and safety-related professional associations.
- **Creating employer and worker education programs.** We invested in mobile training units in key countries, including U.S., China, India, Poland, and Korea and invested in trade skill development in the U.S. During 2020, we delivered digital training programs in China that were viewed by nearly 250,000 workers.
- **Technology.** 3M delivers health and safety content and solutions to employers, workers, policymakers, and key opinion leaders through many channels. Our Connected Safety platform is helping keep workers healthy, safe, and productive in the factories of the future.

Turning students into change agents for safe roads around schools

The students stand with their hands over their hearts, reciting together, "I pledge to promote safer roads, safer vehicles, and safety to other road users. I am a Young Change Agent for road safety, and I believe I can save lives."

In India, approximately 38% of deaths among children ages 0 to 14, and 64% of deaths among teens ages 14 to 18, are due to road traffic accidents.[1] Many accidents occur around schools. Drivers are going too fast and not paying attention in these busy, child-filled areas, and students are not sufficiently aware of and cautious about oncoming traffic.

It doesn't help that the overwhelming majority of schools in India do not have roads with school zone or speed limit signs. "In western countries, school zone safety is a structured program, with designated zones for schools with identified signage systems, which currently do not exist in India," said Pawan Kumar Singh, head, Transportation Safety Business, 3M India, in an interview with business publication Siliconindia.

The 3M YCARS program created more than

1.1K

Young Change Agents of Road Safety and

7

Safe School Zones

at schools in Bangalore and Pune by the end of 2020.

Schools located in high-traffic and vulnerable areas in India urgently need a consistent road safety system around schools. 3M India is helping to improve students' safety through a new program called 3M Young Change Agents for Road Safety (YCARS). In partnership with Concern for Road and Pedestrian Safety and United Way, YCARS empowers students to advocate for safer streets and develops them into change agents who can help design solutions around their schools. The program uses an education model that combines behavior change and engineering improvements, where road safety education is child-centered and asks the question, "What if the changes on the road were to come from children?"

YCARS is structured as a three-day interactive program for students ages 10 to 15. Instead of simply building awareness about road safety, the program gathers recommendations from students about how to improve the hazardous road conditions around their school. Students take part in empathy workshops, learn about design thinking, conduct road safety audits, and create a plan for a Safe School Zone around their schools by plotting their recommended improvements on a Google map of their school zone. "These students are actually looking at the road problems around their schools, and they are giving us possible solutions," Singh explains.

Working with local road authorities, 3M engineers then bring many of the students' recommendations to life through the installation of innovative 3M road safety solutions, such as fluorescent reflective signage, raised pavement markers or road studs, flexible median markers, and reflective bollards for pavement.

Upon completing the YCARS program, students are certified as 3M Young Change Agents for Road Safety, pledging to share their learnings with their families and friends. "There's actually a change happening around us," says one of the Young Change Agents. "Signs are being introduced, and more measures are being taken so that it is easier for all road users to see they are in a school zone."

Formally launched at the end of 2019, the YCARS program created more than 1,100 Young Change Agents for Road Safety and seven Safe School Zones at schools in Bangalore and Pune by the end of 2020. 3M plans to partner with local traffic authorities to scale the program and help improve safety in school zones across Bangalore, Delhi, Mumbai, Chennai, and Pune, with an overall goal of reaching out to 50 to 100 schools in over 30 cities.

The program supports the United Nations Sustainability Development Goal (SDG) to stabilize and then reduce the forecast level of road traffic deaths around the world. **Learn more** about the YCARS program and how 3M is using our technologies to support the greater good in innovative ways.

[1] *https://www.siliconindia.com/news/general/3m-india-lays-foundation-for-school-safety-zones-in-india-nid-211091-cid-1.html*

San Luis Potosí, Mexico

3M site spotlight

In the middle of Mexico is 3M's San Luis Potosí site, which manufactures products for all four 3M business groups.

Opened in 1991, its 1,500 employees work in the site's five buildings and use the following core technologies:

- Injection molding
- Coating (solvent and hot melt), extruding
- Tapes converting
- Press, die cutting
- Flexographic printing
- Carding
- Optical coating

The products made at the site include cleaning supplies, vinyl electric tapes, and Scotch-Brite™ sponges and scouring pads.

The San Luis Potosí site has the following certifications: ISO 9001, ISO 14000, ISO 13485, and ISO/TS 16949, and is focused on continued excellence for our customers.

"It is important for our manufacturing site to contribute to the circular economy in order to benefit both the environment and 3M's supply chain."

Cristiano Campagnoli
Site Manager

Resource management

At 3M San Luis Potosí, natural resource management is a focus area. "It is important for our manufacturing site to contribute to the circular economy in order to benefit both the environment and 3M's supply chain, with practices that promote a reuse of natural resources, either by recycling them, reusing them where possible, or taking advantage of the energy contained in them," says Site Manager Cristiano Campagnoli.

Instead of sending waste generated by the site to a landfill, 3M San Luis Potosí sends it to an external co-processing facility. The resulting ashes are included in the final formula for cement, used for construction of highways, houses, and buildings. These efforts have reduced the amount of waste sent to the landfill by 1,500 metric tons per year.

In addition, the San Luis Potosí site has a polypropylene pelletizer that recycles almost 100% of the polypropylene waste generated by the site's processes. The polypropylene is then reused in the same process or used in the manufacture of floor care line products. This results in a reduction of approximately 600 metric tons annually.

The San Luis Potosí site is one of 18 3M sites located in a water-stressed/water-scarce region. To conserve water, they have an innovative rain collection system that includes rainwater recovery tanks and a rainwater filtration system. This rainwater recuperation system captured 640 cubic meters of rainwater in 2020. The site also saves water by using innovative waterless urinals. These actions support 3M's sustainability focus on Science for Circular.

Community engagement

Various committees, including Diversity & Inclusion and Community, raise awareness about social responsibility and inclusion at the site. One of the site's main initiatives involves hiring people with disabilities, including those with vision and hearing impairment. In addition, the site donates food and general-use products to community kitchens that help feed the homeless. 3M San Luis Potosí is also working in partnership with United Way to implement programs that have more impact in the city of San Luis Potosí and increase the engagement with employees and the community.

3M San Luis Potosí has reduced the amount of waste sent to the landfill by

1.5K

metric tons per year.

A pelletizer recycles almost

100%

of the polypropylene waste generated by the site's processes.

Wuppertal, Germany

3M site spotlight

With the acquisition of Membrana in 2015, 3M became a leading independent producer of membranes for health care and industrial filtration applications worldwide, with expertise in membrane development and membrane technology.

The site in Wuppertal, Germany, originally opened in 1865 and is now one of the locations that manufactures 3M's microporous polymeric membrane material, sold by the Separation and Purification Sciences Division (SPSD) of 3M's Health Care Business Group. These materials are used in products produced by original equipment manufacturers in both the medical and industrial industries.

Medical applications for membranes

In the medical device industry, membranes manufactured by 3M Wuppertal are used in:

- **Dialysis:** Dialysis is the world's largest membrane application. Chronically ill patients with impaired kidney function receive regular therapies based on membranes in dialysis therapy. This process uses an artificial kidney with capillary membranes in its core to remove waste and extra fluid from the blood. The blood is removed from the body and filtered through the capillary membrane in the artificial kidney. The filtered blood is then returned to the body with the help of a dialysis machine.

- **Open-heart surgery:** Membranes are vital components in open-heart surgery, where our membranes, processed into knitted mats, are used in the oxygenation process — depleting carbon dioxide from a patient's bloodstream and enriching it with oxygen. In addition to this application, 3M™ Membrana™ HEXPET™ capillaries are utilized to adjust the blood temperature as required during medical procedures.
- **Syringe filters:** Membrane material is built into syringe filters of all types. These disposables are generally used to remove particles from fluids injected or infused into a patient.
- **COVID-19 therapy:** One of the products produced at 3M Wuppertal is the 3M™ Membrana™ OXYPLUS™ Capillary Membrane, used in a customer's emerging application to treat COVID-19 patients.

Industrial applications for membranes

Customers in non-medical industries utilize membrane technology in their processes as well. Original equipment manufacturers build solutions for sterile filtration into the final bottling process in food and beverage, pharmaceutical, and other industries. Membranes are often used to separate wanted or unwanted substances in liquids during electronics manufacturing processes.

For industrial applications, 3M Wuppertal manufactures 3M™ Liqui-Cel™ Membrane Contactors and 3M™ Liqui-Flux™ filtration modules for the gasification and degassing of liquids and for the filtration of water and beverages. A wide range of processes in the production of wine, vinegar, and juice — carbonating/degasification and clarification/filtration/sterile filtration of the product — require efficient membrane material in the necessary filtration processes.

Design center and business operations

Wuppertal is home to an SPSD design center for membranes, which includes application engineering for medical and non-medical businesses and works closely with customers around the globe. The testing laboratories have capabilities in the areas of physics, biology, and chemistry. Sales, marketing, and customer service employees for membranes and filters have offices in Wuppertal as well.

Community programs

3M Wuppertal's community programs fall into four pillars:

- **Science & technology:** Community support within this pillar includes replacing solvents and energy use reduction.
- **Sustainable technology:** The Wuppertal site has participated in the renaturation of the Wupper River through the construction of a fish ladder — a structure that allows migrating fish to pass over or around an obstacle on a river.
- **Education:** During 3M Safety Week, the site provided digital training, information, and lectures on the topics of safety and health.
- **Social development:** The site supported and participated in a number of local events — riding in the "City Cycling in Wuppertal" event where it was named the best company team; supporting the Wupperschiene (museum railroad) association; and providing a free area on the 3M site to serve as a dog ranch.

Only 10 to 15% of its total electricity is from the city, and the rest is self-generated by its own on-site power plant.

Green energy

In 2020, the site was recognized for having 100% green energy by the city of Wuppertal. Only 10 to 15% of the site's total electricity is from the city, and the rest is self-generated by its own on-site power plant. 3M Wuppertal uses river water to cool the power plant and then returns water back to the Wupper River. A fish rake prevents fish and other river life from being pulled out of the river when water is being extracted.

3M Wuppertal was recognized for having

100%

green energy

by the city of Wuppertal.

Zwijndrecht, Belgium

3M site spotlight

The 3M Zwijndrecht site near Antwerp, Belgium, began operating in 1971.

Over the years, it has developed into an important production hub for materials used at other 3M sites and in other industries. Supporting all four 3M business groups, the site produces a wide range of products that fall into the following categories:

- **Synthetic rubbers:** Products used as high-quality sealing materials in the automotive and aerospace industries
- **Water- and dirt-repellent coatings:** Solutions used in Scotchgard™ products
- **Inert liquids:** Fluorinated liquids with high thermal and chemical stability, used in the electronics industry
- **Materials for other 3M sites:** Materials used for adhesives in Scotch™ tapes

The site includes a large Research & Development laboratory, which allows for a short link between R&D and large-scale production.

At the site, a Customer Technical Center (CTC) serves as a modern training center for companies and organizations that want to innovate and train their employees on 3M technologies. More than 50 different training courses are available at the CTC, including product training related to personal safety and fall protection, auto body repair, and vehicle wrapping.

Approximately 300 employees work at the various buildings on site.

Stepping up to help during the COVID-19 pandemic

2020 brought many challenges, and at the beginning of the COVID-19 pandemic there was a large shortage of disinfectants and hand sanitizers. Many residential care centers, doctors' offices, schools, other 3M facilities, and nonprofit organizations needed disinfectants to support their continued operations.

Although not in its usual product portfolio, 3M Zwijndrecht requested and received a temporary permit and produced more than 10,000 liters (2,640 gallons) of sanitizer and 4,000 liters (1,060 gallons) of surface disinfectant in small packages. The site donated the packages to these organizations free of charge.

Major greenhouse gas reductions

In 2020, the 3M Zwijndrecht site invested in a project that will lead to a significant reduction of the site's greenhouse gas emissions (versus 2019) and a reduction of 3M's total greenhouse gas emissions (versus 2019).

3M Zwijndrecht produced

10K+

liters of hand sanitizer and

4K+

liters of surface disinfectant.

Iwate, Japan

3M site spotlight

The 3M Iwate site has expanded nine times since it opened in 1987 in the city of Kitakami in the Iwate prefecture of Japan.

It primarily supports the Safety & Industrial Business Group's Closure & Masking Systems Division (CMSD), manufacturing different types of tape, including box sealing tape and washi masking tape — a decorative adhesive tape made from traditional Japanese paper that's often used for crafts or journaling. Iwate also supports 3M's Consumer Business Group and Transportation & Electronics Business Group.

With 122 employees, its operations include coating, compounding, converting, rubber milling, and film-manufacturing processes.

Safety first

The site is focused on growing its environmental, health, and safety (EHS) culture; one example is a new employee program where participants patrol the site's working areas, stock room, and other site locations, recording any safety issues into a database while taking immediate action to address concerns.

Environmental achievements

3M Iwate is ISO 14001 certified, and in 2020 they completed a slitting yield improvement project that reduced process waste by 20%. This was achieved through a Lean Six Sigma (LSS) activity, designed to improve manufacturing metrics like production yield, productivity, and cost. All employees participated in the LSS activities through various site events.

From these activities, the site hopes to realize not only lower unit cost and shorter lead time but also optimized operation and waste reduction toward 3M's 2025 Sustainability Goals.

COVID-19 response

With the onset of the COVID-19 pandemic, a new work standard for all Iwate employees, aligned with corporate EHS guidance, focused on the following five principles:

- Self-observation and monitoring
- Personal hygiene
- Physical distancing
- Wearing face masks
- Enhanced cleaning of high-touch points

Community activities

Despite the pandemic, the Iwate site was able to help their community by providing financial support for the Kitakami Council of Social Welfare and providing a week-long internship program for local high school students that gave them real-life 3M work experience, while maintaining safety protocols.

Iwate prides itself on maintaining a respectful, rewarding workplace with a strong team culture.

Who we are

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Who we are

Advancing our impact for the greater good

At 3M, sustainability is tied to shared global needs. For the world to have a sustainable future, many challenges must be addressed, including the limited availability of natural resources, lack of access to education and health care, inadequate food supplies, rapid urbanization, stressed water systems, and a global climate crisis. With 2020 came the additional challenge of the COVID-19 global pandemic and the increased focus on social justice, racial equity, and inclusion.

We understand that our impact, as we improve our business, our planet, and every life can be far greater when we collaborate with our customers, communities, and governments. From our highly collaborative work environment to our community of scientists and **51 core Technology Platforms**, we have the resources and the desire to help make a real difference in the world.

Sustainability is a core commitment of 3M, and we recognize and consistently seek opportunities to do more. This is the story of how we are doing it — setting aggressive goals, incorporating sustainability into every new 3M product, and using science to make the world more sustainable for future generations. And we aren't doing it alone.

This is the continued story of our purpose: **#improvinglives**

Sustainability is a core commitment of 3M, and we recognize and consistently seek opportunities to do more.

3M Value Model

Our commitment

For over 110 years, we have been dedicated to science and exploration, taking on global challenges and developing solutions for our customers. Our Value Model is the blueprint for how we create unique and differentiated value for customers, shareholders, and our stakeholders. Leveraged globally, our Value Model includes four elements: 3M's Vision, strengths, priorities and Values.

- Our Vision drives everything we do. As a purpose- and performance-driven company, we are committed to applying 3M Science to improve every life.
- Our strengths are the foundation of 3M and make us stronger than the sum of our parts.
- Our priorities are how we grow. They position us for long-term growth and success and represent how we are constantly evolving to build on our foundation.
- Our Values are what guide us. They bind us together as one 3M — and are shared across business groups, functions, and geographies. Sustainability is one of the three values prioritized in our Value Model and plays an important role in our purpose-driven innovation in products, manufacturing processes, and new technologies.

Our Vision drives us as a company and guides our actions. It is about three things: what we do, how we do it, and where we do it. Every day we strive to advance, enhance, and improve, using our technologies, products, and innovation. And we can do this for every company, every home, and every life.

Our Values

Our Values — diversity, equity, and inclusion; sustainability; and our 3M Code of Conduct — bind us together as 3M employees and are shared around the globe. They are collective ideals that demonstrate how all employees should act to drive growth, development, reputation, and impact with every action. Our company Values correspond to expectations from our customers, investors, and our employees.

Diversity: We are going to keep building our diversity, which will make us a much more creative and innovative company.

Equity and Inclusion: We are going beyond diversity to make 3M the most inclusive enterprise we can be, not just valuing the presence of diversity but further embedding equity and inclusion into the fabric of our company to bring more voices to the table.

Sustainability: We have been a leader in the space for decades and are working to expand this leadership on all fronts through our products and our operations.

Vision

3M Technology Advancing Every Company
3M Products Enhancing Every Home
3M Innovation Improving Every Life

Strengths

- Technology
- Manufacturing
- Global Capabilities
- Brand

Priorities

- Portfolio
- Transformation
- Innovation
- People & Culture

Values

Diversity, equity, and inclusion
Sustainability
3M Code of Conduct

Our Strategic Sustainability Framework

Our corporate Vision culminates in our ambition to improve every life. Together with our Values, these elements drive and inform our approach to sustainability through the Strategic Sustainability Framework, which directs 3M's efforts to areas where we can make the greatest impact.

We have set clear commitments and an ambitious, long-term strategy that will leverage our passion for science. Our intent is to use a science-based approach to tackle the challenges that are most material to 3M and critical to our planet and the people living on it. Building on our global capabilities and diverse technologies, we are focusing on three priority areas:

Science for Circular

Design solutions that do more with less material, advancing a global circular economy.

Science for Climate

Innovate to decarbonize industry, accelerate global climate solutions and improve our environmental footprint.

Science for Community

Create a more positive world through science and inspire people to join us.

Science for Circular

Design solutions that do more with less material, advancing a global circular economy.

Our current global economy's linear business model of "take, make, and waste" is depleting natural resources faster than they can be replenished and straining ecosystems. Imagine repurposing a piece of plastic at the end of its use, giving it another life as something else. Its use would become circular, and the end of use wouldn't mean the end of life.

A circular economy does more with less, keeps products and materials in use, designs out waste and pollution, and regenerates natural systems. At the core is an opportunity to develop technologies and business models that are restorative and regenerative by design. At 3M, we see the circular economy as an opportunity to inspire leadership, innovation, and disruptive change, all driving impact for a sustainable future.

For more information, see the **Circular materials** section.

Science for Climate

Innovate to decarbonize industry, accelerate global climate solutions and improve our environmental footprint.

The world's natural environment is experiencing disruptive change. Factors such as rising sea levels, elevated pollution levels, poor air quality, resource scarcity, and extreme weather events have led to greater concerns about the future health of the planet and its people. At 3M, we support the global consensus set forth in the 2015 Paris Agreement, and we are acting on the 2018 findings of the Special Report on Global Warming of 1.5°C by the Intergovernmental Panel on Climate Change by incorporating them into our goals, operations, and actions. The global climate crisis impacts business, our communities, and our families.

We believe that by working together with our employees, customers, partners, suppliers, government, and communities, we can help drive the systemic change needed. We recognize the work to be done and are inspired by the opportunity to chart our collective path forward.

For more information, see the **Climate and energy** section.

Science for Community

Create a more positive world through science and inspire people to join us.

By 2050, the world population is expected to surpass nine billion people. Science is more important than ever to help our growing population live well. We need scientific solutions to global challenges like climate change, accessible health care, interconnectivity, and safe workplaces — and technical skills are increasingly required for all types of jobs.

By investing in programs that promote a circular economy, fight against climate change, and create a more positive world through science, 3M inspires employees to make an impact on the world. At 3M, we recognize the importance of science and use it every day to improve the lives of people in communities around the world through our products and our actions. We know that in order to solve global challenges, we need new technologies, creative scientists, and evidence-based policies and decisions to drive impactful change.

We recognize the importance of well-trained science, technology, engineering, and mathematics (STEM) graduates and the critical need for equitable access to STEM education and careers, which drive us to advance diversity, equity, inclusion, and social justice within our company and community.

We believe in the power of science, sharing our expertise, and investing in the bright minds of tomorrow. Together, we will lead and design a sustainable future for all.

For more information, see the **Communities** section.

We believe in the power of science, sharing our expertise, and investing in the bright minds of tomorrow. Together, we will lead and design a sustainable future for all.

Our actions

When it comes to strategic planning, collaborations, environmental and social goal setting, and reporting, we seek and rely on both internal and external input in order to understand the top social, economic, and environmental global challenges.

Stakeholder engagement

3M's stakeholder engagement strategy on priority topic areas continues to evolve. We continually look to our stakeholders to help us increase our understanding, broaden our awareness, seek technical input and expertise, and evaluate possible collaborations and strategic partnerships. We rely on their counsel and expertise to help guide us. We believe stakeholder engagement should be based on candid and authentic dialogue — grounded in 3M's Values — and should contribute to the evolution of our strategic priorities.

Stakeholder engagement varies greatly by geography, type, and function. For example, we frequently engage 3M employees globally through sustainability communications and events with diverse content based on our materiality topics.

Materiality assessment

Every other year starting in 2014, 3M has commissioned GlobeScan, an independent research consultancy, to assist us in better understanding our stakeholders' perspectives on key issues and assessing our corporate reputation and leadership opportunities.

The 2020 assessment explored stakeholder perceptions of 3M's sustainability strategy and its three pillars: Science for Circular, Science for Climate, and Science for Community. Stakeholders included customers, suppliers, NGOs, corporate/private sector, academics, consultants, government, media, finance, trade associations, and think tanks and were representative of 3M's four business groups and all regions of operations. At the same time, 3M conducted a similar process through an internal online employee survey. For more information, see our feature story, **Stakeholders weigh in on our Sustainability Framework**.

Following the GlobeScan assessment, we analyzed insights and inputs from stakeholders and developed the sustainability priority matrix. The matrix also demonstrates how our Sustainability Goals align with the United Nations 2030 Agenda for Sustainable Development, which includes 17 Sustainable Development Goals (SDGs).

Each priority topic is categorized into one of three tiers based on importance and reputation:

1. **Tier 1:** most critical issues with highest potential impact
2. **Tier 2:** important issues with high potential impact
3. **Tier 3:** issues with average level of importance

Explore the priority matrix ▸

3M sustainability priority matrix

Priority topic & tier		Our actions	Links to additional information	Goals & commitments	Related SDG
Science for Circular	**Plastic/ packaging waste** 1	To support our circularity efforts, we work to select packaging materials on the front end so they can be recycled after use rather than be discarded on land or in waterways. We also continue to increase recycled content, make our packaging easier to recycle, encourage reusable packaging where appropriate, and increase the use of renewable materials.	Circular materials Sustainable packaging solutions	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1] Reduce manufacturing waste by 10%, indexed to sales, by 2025. Reduce dependence on virgin fossil-based plastic by 125 million pounds by 2025.[3]	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.5
	Accumulation of toxic substances 1	Product safety, quality, and stewardship must always be primary considerations during the design, manufacturing, marketing, and sale of 3M products, as outlined by our Product Safety, Quality, and Stewardship Principle. 3M's Chemicals Management Policy reflects the evolving values of 3M and our stakeholders. To continuously improve the environmental, health, and safety attributes of our products, 3M has identified specific chemicals whose use in products and manufacturing processes is subject to restrictions or specific management actions.	Innovation management Circular materials Product Safety, Quality, and Stewardship Principle Chemicals Management Policy	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1]	3 GOOD HEALTH AND WELL-BEING 3.9
	Limited availability of sustainable products/ services 1	In 2019, we announced our Sustainability Value Commitment, which embeds sustainability into the pipeline that produces 3M's diverse global products. Considerations include reusability, recyclability, waste reduction, energy and water savings, and responsible sourcing or use of renewable materials appropriate to the specific product throughout its life cycle.	Circular materials Making strides embedding sustainability into new products 3M Sustainability Value Commitment	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1]	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.2, 12.5 8 DECENT WORK AND ECONOMIC GROWTH 8.4 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 9.4

Priority topic & tier		Our actions	Links to additional information	Goals & commitments	Related SDG
Science for Circular	**Poor water quality** 1	We respect our ecological and ethical responsibility and have a vested interest in preserving and improving the quality and availability of water in the communities we serve and beyond. In 2021, 3M announced that we expect to invest approximately $1 billion over the next 20 years to accelerate new environmental goals. We will use our expertise and advanced technology to remove impurities from the water we use and return even higher-quality water to the environment after its use in manufacturing operations.	Circular materials 3M commits to achieving carbon neutrality, reducing water use, and improving water quality	For 3M's global manufacturing operations, enhance the quality of water returned to the environment by 2030. Our initial focus is on state-of-the-art water purification technology at the largest U.S. water use locations; operational by the end of 2024.[1]	6 CLEAN WATER AND SANITATION 6.3
	Waste from manufacturing/ operations 2	We believe it is our responsibility to carefully assess renewable and recycled materials, water, packaging, and waste as we focus on designing solutions that do more with less material, advancing a global circular economy. We reduce, recover, reuse, and recycle byproducts and other surplus material in our operations whenever feasible. When not feasible, we responsibly dispose of waste materials.	Circular materials	Reduce manufacturing waste by an additional 10%, indexed to sales, by 2025. Achieve zero landfill status at more than 30% of manufacturing sites by 2025.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.5
	Shortages of available fresh water 2	In 2021, 3M announced that we expect to invest approximately $1 billion over the next 20 years to accelerate new environmental goals, including reducing water use by 25% at our facilities. Each 3M site located in a water-stressed area is required to understand its water use and associated business risks and impacts and must work with local water resources to understand potential impacts on the surrounding area.	Circular materials 3M commits to achieving carbon neutrality, reducing water use, and improving water quality	Reduce global water usage by the following amounts: 10% by 2022, 20% by 2025, and 25% by 2030, indexed to sales.[1,2] Engage 100% of water stressed/ scarce communities where 3M manufactures on community-wide approaches to water management by 2025.	6 CLEAN WATER AND SANITATION 6.4, 6.B
	Scarcity of raw materials 2	In 2019, we announced our Sustainability Value Commitment, which embeds sustainability into the pipeline that produces 3M's diverse global products. Considerations include reusability, recyclability, waste reduction, energy and water savings, and responsible sourcing or use of renewable materials appropriate to the specific product throughout its life cycle. We engage our suppliers to help accelerate solutions that support 3M's Sustainability Value Commitment.	Circular materials Suppliers Making strides embedding sustainability into new products Our commitment to sustainable forestry Supplier Sustainability Solutions 3M Sustainability Value Commitment	Drive supply chain sustainability through targeted raw material traceability and supplier performance assurance by 2025. Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1] Reduce dependence on virgin fossil-based plastic by 125 million pounds by 2025.[3]	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.2 15 LIFE ON LAND 15.2

Priority topic & tier		Our actions	Links to additional information	Goals & commitments	Related SDG
Science for Climate	**Climate change** 1	We are committed to innovate to decarbonize industry, accelerate climate solutions, and improve our environmental footprint. In 2021, 3M announced that we expect to invest approximately $1 billion over the next 20 years to accelerate new environmental goals, aiming for carbon neutrality in our operations by 2050.	Climate and energy Global survey casts strong light on sustainability 3M commits to achieving carbon neutrality, reducing water use, and improving water quality	Reduce Scope 1 and 2 market-based GHG emissions by at least 50% by 2030, 80% by 2040, and achieve carbon neutrality in our operations by 2050.[1,3] Help our customers reduce their GHGs by 250 million tons of CO_2 equivalent emissions through use of 3M products by 2025.	13 CLIMATE ACTION 13.1
	Poor air quality 1	An important component of 3M's sustainability strategy is our commitment to improving air quality globally. 3M has developed internal programs to minimize our VOC emissions. We collaborate with the international non-governmental organization, Clean Air Asia, on science-based air quality solutions for New Delhi, India, and Metro Manila, Philippines.	Climate and energy Clean Air Asia	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1]	3 GOOD HEALTH AND WELL-BEING 3.9 11 SUSTAINABLE CITIES AND COMMUNITIES 11.6
	Excessive energy use, including declining energy resources 1	We are committed to continuously improving energy efficiency, leveraging engineering expertise and advances, driving site-level efficiency improvements, maintaining top management support, and protecting 3M's reputation. We serve our customers through a wide range of innovative products that help them improve energy efficiency and reduce their greenhouse gas emissions.	Climate and energy	Improve energy efficiency indexed to net sales by 30% by 2025. Increase renewable energy to 50% of total electricity use by 2025 and to 100% by 2050. Help our customers reduce their GHGs, by 250 million tons of CO_2 equivalent emissions through the use of 3M products by 2025.	7 AFFORDABLE AND CLEAN ENERGY 7.3
	Responding to natural disasters 3	As natural disasters continue to increase in frequency and severity, 3M continually provides essential supplies and funds to assist partners and aid workers in their swift responses.	Communities When disaster strikes, 3M stands ready to spring into action Whitepaper: Natural disaster cleanup hazards and rebuilding ideas Emergency preparedness PPE guidance	Invest cash and products for education, community, and environmental programs by 2025.	2 ZERO HUNGER 2.1

Priority topic & tier		Our actions	Links to additional information	Goals & commitments	Related SDG
Science for Community	**Violations of human rights** 1 **Ethical business, safe working conditions, and poor treatment of workers in the supply chain** 2	Respect for human rights and workplace safety is deeply ingrained in our culture. 3M's approach to managing and assuring human rights, workplace safety, and well-being within our workplace and supply chain is derived from the 3M Code of Conduct. We implement these programs through our global policies, management systems, assessments, audits, training, and metrics tracking. At 3M, we set a high bar for our company regarding environmental and social governance, and we expect the same from our suppliers. We expect our suppliers to be transparent about their social practices including labor, health and safety, environmental, ethics, and management systems; provide improvement ideas; and work with us to transform our shared value chain as stated in our Supplier Responsibility Code.	Corporate governance Human rights EHS management Suppliers 3M Code of Conduct Supplier Responsibility Code Recognized as one of the World's Most Ethical Companies® for eight consecutive years Committed to the Human Rights Campaign Business Coalition for the Equality Act in the U.S. 3M amplifies sustainable business action through United Nations Global Compact sponsorship 3M PPE training and education Our commitment to sustainable forestry Responsible minerals sourcing	Drive supply chain sustainability through targeted raw material traceability and supplier performance assurance by 2025. Provide training to five million people globally on worker and patient safety by 2025.	8 DECENT WORK AND ECONOMIC GROWTH 8.7, 8.8 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 16.5, 16.7
	Support community building and engage with citizens on sustainable behavior 2	We focus on advocacy, support, and partnerships in our efforts to inspire leadership, innovation, and disruptive change, all driving impact for a more sustainable future. 3M and 3M Foundation help build sustainable communities through strategic investments and the thoughtful involvement of 3M businesses, sites, and employees worldwide who volunteer and leverage their skills and experience to make a difference in the world.	Our customers Communities Making strides embedding sustainability into new products The Recycling Partnership Closed Loop Partners Ellen MacArthur Foundation 3M Impact	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1] Help our customers reduce their GHGs by 250 million tons of CO_2 equivalent emissions through use of 3M products by 2025. Invest cash and products for education, community, and environmental programs by 2025. Donate 300,000 skills-based work hours across the globe by 2025.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.A, 12.2 13 CLIMATE ACTION 13.1 17 PARTNERSHIPS FOR THE GOALS 17.16

Priority topic & tier		Our actions	Links to additional information	Goals & commitments	Related SDG
Science for Community	**Human health including community health and safety, spread of human diseases, and food safety** 2	3M recognizes the crucial role of science in improving lives, protecting health and safety, and helping solve global challenges. 3M promotes a culture of employee health and well-being through disease prevention programs, on-site clinical services, employee assistance programs, and comprehensive health care benefits. To help build sustainable communities, our strategic investments include support for basic human needs. For the global health care industry, we take a patient-centered approach to innovation and develop reliable, quality products and solutions. In 2020, we expanded our skills-based volunteer program. By launching 3M Impact Health Care, we are using our expertise to help address health care inequities. When COVID-19 hit, we accelerated the production of 3M respirators to help protect nurses, doctors, first responders and essential workers, ultimately producing 2 billion respirators globally by year end. We also maximized production of other solutions used in response to COVID-19, including biopharma filtration, hand sanitizers, and disinfectants. 3M offers educational content to help customers deepen their scientific expertise and improve food safety and quality within their organizations. 3M's broad range of food safety testing solutions helps to protect consumer health.	Innovation management Our customers Communities Our products 3M Impact Clean Air Asia 3M℠ Health Care Academy COVID-19 Innovations – Agility in action COVID-19: A catalyst for unprecedented collaboration How 3M is helping the world respond to COVID-19 Mitigating the risk of infectious disease spread through contamination prevention	Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good.[1] Invest cash and products for education, community, and environmental programs by 2025. Provide training to five million people globally on worker and patient safety by 2025. Donate 300,000 skills-based work hours across the globe by 2025.	3 GOOD HEALTH AND WELL-BEING 3.c, 3.8
	Workforce diversity, improving access to education, and addressing unemployment 3	At 3M, we recognize the importance of well-trained science, technology, engineering and mathematics (STEM) graduates and the critical need for equitable access to STEM education and careers, which drives us to advance diversity, equity, inclusion, and social justice within our company and community. We believe in the power of science, sharing our expertise, and investing in the bright minds of tomorrow.	Employee diversity, equity, and inclusion Communities 3M 2020 Global Diversity, Equity & Inclusion Report 3M Diversity and Inclusion 3M's commitment to education Creating partnerships to solve the worker shortage 3M Impact Young Scientist Challenge Science at Home 3M giving and volunteerism	Invest $50 million to address racial opportunity gaps in the U.S. through workforce development and STEM education initiatives by 2025.[5] Double the pipeline of diverse talent in management to build a diverse workforce by 2025. Double the representation of Black/African American and Hispanic/Latino employees.[5,6] Advance economic equity by creating five million unique STEM and skilled trades learning experiences for underrepresented individuals by the end of 2025.[7] Provide training to five million people globally on worker and patient safety by 2025. Invest cash and products for education, community, and environmental programs by 2025.	4 QUALITY EDUCATION 4.4, 4.5, 4.c 5 GENDER EQUALITY 5.5 10 REDUCED INEQUALITIES 10.2

Priority topic & tier	Our actions	Links to additional information	Goals & commitments	Related SDG
Transparency 1	Acting with unwavering integrity and transparency is core to who we are. Our commitment to transparency is evident in many ways, including the publication of this annual Sustainability Report and our Diversity, Equity & Inclusion Report; and by submitting annual communication on progress as part of our commitment to the UN Global Compact.	About report Corporate Code of Conduct 3M 2020 Global Diversity, Equity & Inclusion Report		16 PEACE, JUSTICE AND STRONG INSTITUTIONS 16.6
Advocating laws and supporting sustainability 2	3M advocates for environmental policies and regulations that are guided by science-based decision-making and encourages the adoption and implementation of innovative solutions.	Corporate governance Climate and energy Lobbying and Political Activities Governance		17 PARTNERSHIPS FOR THE GOALS 17.14

[1] *2019 is the baseline measurement year.*

[2] *Expands our previous commitment, which aimed to reduce water use by 10% between 2015 and 2025.*

[3] *Established in 2021.*

[4] *Expands our previous 2025 goal to stay below 50% of our 2002 baseline, meaning 3M's 2030 Scope 1 and 2 emissions will now be reduced more than 85% from 2002 levels.*

[5] *2020 is the baseline measurement year.*

[6] *Established in 2020 to drive trend and trajectory progress over time.*

[7] *2021 establishing baseline measurement year. 3M defines underrepresented individuals in the United States using National Science Foundation research. For global definitions, we rely on gender diversity and local context for marginalized populations.*

Past, present, and future focus areas

From 2014 to 2020, we have seen stakeholder priorities shift in the following ways:

- From 2014 to 2020, climate-related issues have increased in importance for 3M, particularly climate change, which is now the most important issue to stakeholders, even when asked during the evolving context of the COVID-19 pandemic.
- Since 2016, transparency and human rights have moved from Tier 2 to Tier 1 priorities and have the highest relative impact on 3M's reputation.
- Community health and safety, safe working conditions, and ethical business practices moved from Tier 1 to Tier 2 in 2020.
- In 2020, the "waste from operations" category was expanded to include reducing plastic and packaging waste. Reducing waste from operations, a Tier 1 priority since 2014, moved to Tier 2 in 2020. Plastic and packaging waste is a Tier 1 priority.

Focus areas were vetted through in-depth interviews with stakeholders, and they agreed with the placement of issues. Stakeholders further suggested that the priorities validated the importance of all three pillars because issues are diversely distributed across the three tiers. They foresee community-related issues, such as unemployment, diversity, and community building, becoming higher priorities in response to economic inequality and unemployment concerns resulting from COVID-19 and the increased focus on social justice, racial equity, and inclusion. Stakeholders have indicated that there will be increased pressure on companies to address social and economic equality issues.

Priority topics from our materiality assessment are also included in 3M's Enterprise Risk Management (ERM) process. For example, climate change is one of the most important topics stakeholders think 3M should address. Within the ERM process, climate change risk is integrated as part of several existing high-risk areas, such as material vulnerability, product stewardship, and operating safety. For additional information, see the **Enterprise risk** section.

Data provided in this Sustainability Report includes information focusing on items with high potential to impact 3M's reputation and items that are of the greatest importance to internal and external stakeholders, as defined by the materiality assessment.

Because we are a diversified company, several other environment-related topics and performance indicators relevant to various sectors of the company are also included in the report. 3M's executive-level Innovation Steering Committee reviews, approves, and assures priority topics are covered in this Sustainability Report. In addition, the 3M Science, Technology & Sustainability Committee of the Board of Directors will annually review the company's Sustainability Report.

Priority topics defined within this report apply to each entity within the 3M organization. The prioritization for the different aspects may vary within 3M operations and geographies, but they are still a priority. The insight from the 2020 materiality assessment will inform 3M's long-term strategies and help direct our efforts to areas in which we can have a significant impact across our value chain.

Memberships and partnerships

External engagements and collaborative efforts on priority focus areas help provide us with diverse viewpoints, a better understanding of the positions of our stakeholders, and a mechanism to learn from the successes and failures of our peers, all of which contribute to our commitment to a purpose-driven business.

Stakeholder engagement and collaboration efforts are core to how we drive our strategies and actions within our Strategic Sustainability Framework. With that in mind, you will find examples of these efforts throughout this report.

Looking forward

The world around us is changing rapidly. People need to continue to come together to create a more positive future where everyone can thrive. More than ever, we need science. The resilience of our planet, our people, and our economy depends on it.

We believe we can help. This is our purpose. That is why we are committed to three priority areas — Science for Circular, Science for Climate, and Science for Community — and it is why we are keeping stakeholder priorities top of mind as we reinvent the products, processes, and systems that will help improve every life.

More than ever, we need science. The resilience of our planet, our people, and our economy depends on it.

Advancing impact

Strengthening our goals to help create a sustainable future

Our commitment

For more than 40 years, 3M has been a leader among global corporations in sustainability actions and measures, beginning in 1975 with the creation of our groundbreaking 3M Pollution Prevention Pays (3P) program.

Our goals are becoming stronger and gaining momentum as we recognize how much needs to be done in order to make the world more sustainable for future generations. We are heading into a decade of action that will help accelerate solutions to some of the world's biggest challenges. We are committed to doing much more than just focusing on what benefits us as a company. We have a commitment — and the ability — to use our resources and capabilities to positively impact the world.

Our stakeholders expect this of us, and we expect it of ourselves. In 2015, we launched our 2025 Sustainability Goals, expanding beyond 3M to include customers, suppliers, and social impact. The goals we are pursuing reflect a heightened commitment to going beyond compliance and thinking holistically about how our operations and products affect the world and every life in it. We see the opportunity, in the next decade, to create systemic change within the three pillars of our Strategic Sustainability Framework.

Our Strategic Sustainability Framework helps us apply science to improve every life.

It also helps guide our business decisions and strategy, as well as how we focus our efforts on local and global community impact. For that reason, we organize our 2025 Sustainability Goals to fit within each pillar of our Strategic Sustainability Framework — Science for Circular, Science for Climate, and Science for Community.

For more than

40 yrs

3M has been a leader among global corporations in sustainability actions and measures.

Science for Circular

- Require every new product that enters 3M's new product commercialization process to have a Sustainability Value Commitment, demonstrating how it drives impact for the greater good[1]
- Reduce manufacturing waste by an additional 10%, indexed to sales, by 2025
- Achieve zero landfill status at more than 30% of manufacturing sites by 2025
- Drive supply chain sustainability through targeted raw material traceability and supplier performance assurance by 2025
- Reduce global water usage by the following amounts: 10% by 2022, 20% by 2025, and 25% by 2030, indexed to sales[1,2]
- For 3M's global manufacturing operations, enhance the quality of water returned to the environment by 2030. Our initial focus is on state-of-the-art water purification technology at the largest U.S. water use locations; operational by the end of 2024[1]
- Engage 100% of water-stressed/scarce communities where 3M manufactures on community-wide approaches to water management by 2025
- Reduce dependence on virgin fossil-based plastic by 125 million pounds by 2025[3,5]

Science for Climate

- Help our customers reduce their GHGs by 250 million tons of CO_2 equivalent emissions through the use of 3M products by 2025
- Improve energy efficiency indexed to net sales by 30% by 2025
- Reduce Scope 1 and 2 market-based GHG emissions by at least 50% by 2030, 80% by 2040, and achieve carbon neutrality in our operations by 2050[1,4]
- Increase renewable energy to 50% of total electricity use by 2025 and to 100% by 2050

Science for Community

- Invest $50 million to address racial opportunity gaps in the U.S. through workforce development and STEM education initiatives by 2025[5]
- Double the pipeline of diverse talent in management to build a diverse workforce by 2025
- Double the representation of Black/African American and Hispanic/Latino employees in the U.S[5,6]
- Advance economic equity by creating five million unique STEM and skilled trades learning experiences for underrepresented individuals by the end of 2025[7]
- Provide training to five million people globally on worker and patient safety by 2025
- Invest cash and products for education, community, and environmental programs by 2025
- Maintain or achieve 100% pay equity globally[5,6]
- Donate 300,000 skills-based work hours across the globe by 2025
- 100% participation in employee development programs to advance individual and organizational capabilities by 2025

Our actions

We are committed to evolving our existing goals and to adding new goals when appropriate. In 2019, 3M made it a requirement that every product entering our new product commercialization process includes a Sustainability Value Commitment (SVC). In 2020, we strengthened the requirements. To learn more, see our feature story, **Making strides embedding sustainability into new products**. All goals have a 2015 baseline unless otherwise noted.

Our goals are becoming stronger and gaining momentum.

[1] 2019 is the baseline measurement year.

[2] Expands our previous commitment, which aimed to reduce water use by 10% between 2015 and 2025.

[3] Established in 2021.

[4] Expands our previous 2025 goal to stay below 50% of our 2002 baseline, meaning 3M's 2030 Scope 1 and 2 emissions will now be reduced more than 85% from 2002 levels.

[5] 2020 is the baseline measurement year.

[6] Established in 2020 to drive trend and trajectory progress over time.

[7] 2021 establishing baseline measurement year. 3M defines underrepresented individuals in the United States using National Science Foundation research. For global definitions, we rely on gender diversity and local context for marginalized populations.

Science for Circular

Design solutions that do more with less material, advancing a global circular economy.

Achieved
100%
Sustainability Value Commitment
for new products in 2020

achieving goal of 100%
2019 — 2025 goal

Reduced manufacturing waste by
9.98%
indexed to sales

toward goal of 10% reduction
2015 — 2025 goal

42.9%
(69 manufacturing sites)
zero landfill

exceeding goal of 30%
2015 — 2025 goal

Increased water efficiency
0.00%
indexed to sales

behind goal of 10% improvement
2015 — 2025 goal

16
manufacturing sites
identified in water-stressed/scarce areas

maintaining goal
2015 — 2025 goal

468
completed supplier assessments

maintaining goal to drive supplier performance
2015 — 2025 goal

Science for Climate

Innovate to decarbonize industry, accelerate global climate solutions and improve our environmental footprint.

Improved energy efficiency by

8.73%

indexed to sales

behind goal of 30% improvement

2015 — 2025 goal

Increased renewable energy

35.4%

total electricity use

toward goal of 50% increase

2015 — 2025 goal

Nearly

75 million

metric tons CO_2 equivalent customer avoided emissions

toward goal of 250 million metric tons

2015 — 2025 goal

Scope 1 and 2 emissions

71.1%

below baseline

ahead of goal of 50% below baseline[1]

2002 — 2025 goal

[1] *2002 baseline year; all others have a 2015 baseline.*

Science for Community

Create a more positive world through science and inspire people to join us.

Provided

1.66M

in person or online training instances

toward goal of 5M training instances

2015 — 2025 goal

$87.9M

investment in total global giving

achieving goal of continuing to invest in global giving programs

2015 — 2025 goal

Donated

35.2K

skills-based work hours globally

toward goal of 300K hours

2019 — 2025 goal

Increased pipeline of diverse talent in management from

32.6% → 43.2%

toward goal of doubling the pipeline

2015 — 2025 goal

Looking forward

With our Strategic Sustainability Framework, we are cutting across industries and silos to collaborate with suppliers, customers, and communities, working together to help build a more resilient world. We at 3M have the unique opportunity to apply our passion and collaborative skills to help the world prosper. We will continue to enhance our Strategic Sustainability Framework by growing our existing Sustainability Goals and commitments. Our customers, and the communities in which we operate, deserve it. Our people are motivated by it. Our future will be all the better for it.

We at 3M have the unique opportunity to apply our passion and collaborative skills to help the world prosper.

Communities

Helping make a difference in the world through science

Our commitment

3M and 3M Foundation help build sustainable communities through strategic investments and the thoughtful involvement of 3M businesses, sites, and employees worldwide who volunteer and leverage their skills and experience to make a difference in the world.

3M amplifies social impact by combining 3M employee expertise with our products, technologies, and philanthropy. 3M and 3M Foundation develop and implement strategies and partnerships with leading community organizations committed to equitable outcomes in our community. Governance is provided by the 3M Foundation Board of Directors and Corporate Contributions Committee, which is comprised of senior-level company executives.

To assure that our support benefits the communities being served, 3M and 3M Foundation assess the impact of prospective grants and employee engagement initiatives and provide signature partners with financial support to help evaluate outcomes.

In 2020, we shifted our global commitment to focus on COVID-19 response and doubled down on prior commitments to equity, diversity, and inclusion in our community.

Science for Community goal

Invest cash and products for education, community, and environmental programs by 2025.

Progress: *achieving goal of continuing to invest in global giving programs*

In 2020, 3M's community commitment included cash and product donations to assist in the global fight against COVID-19 and to support basic human needs in communities where 3M operates.

3M continues to invest in the advancement of science, technology, engineering, and mathematics (STEM) and business partnerships for social good. 3M investments also include accelerating global climate solutions and advancing a circular economy to foster sustainable communities and improve the quality of every life.
In addition, 3M Foundation serves the needs of our local communities through charitable support of hometown needs. Cash, in-kind investments, and employee engagement remain at the core of both 3M and 3M Foundation strategies. Since 1953, 3M and 3M Foundation have invested $1.81 billion in cash and product contributions in communities where 3M operates.

Science for Community goal

Provide 300,000 work hours* of skills-based volunteerism by 3M employees to improve lives and help solve society's toughest challenges by 2025.

**Goal was initiated in 2019.*

35.2K hours toward goal of 300K hours

2019 — 2025 goal

In 2020, we expanded **3M Impact**, our portfolio of skills-based service programs that allows employees to use their business skills, experience, and energy to make a difference in local and global communities, while also developing empathy, problem-solving, and interpersonal communication skills.

Focused on working with social enterprises and nonprofit organizations that are addressing the world's toughest challenges, each project is designed to support 3M's Strategic Sustainability Framework and advance our commitments to Science for Circular, Science for Climate, and/or Science for Community.

Our actions

We pivoted much of our work in 2020 to focus on COVID-19 response and social justice actions.

COVID-19 community efforts

Throughout 2020, in response to the global pandemic, 3M made financial donations, product donations, and designed products to help in the fight against COVID-19.

COVID-19 giving/ investments

$20 million — 3M corporate investment

3M demonstrated leadership in the fight against COVID-19 through a $20 million corporate investment to support health care workers and other vulnerable populations.

- **$10 million — protecting and serving frontline health care workers**

  3M donated $10 million as the lead sponsor of the COVID-19 Fund for Community Health, established by humanitarian organization Direct Relief, to support health care workers' safety and the essential services they provide at U.S. community health centers and clinics. A portion of this gift was used for the organization's international efforts to address the pandemic.

- **$5 million — Research & Development**

  3M awarded $5 million in grants to leading universities around the world to help advance scientific progress in the fight against COVID-19. 3M's corporate medical director and its internal Medical R&D Council reviewed institutional nominations and provided guidance and insight on global representation. The projects funded were geographically dispersed to at least one educational institution in each area of the world: United States and Canada (USAC); Europe, the Middle East and Africa (EMEA); Latin America; and Asia Pacific.

- **$5 million — supporting vulnerable populations affected by COVID-19**

  In partnership with United Way, 3M donated $5 million toward promoting a safety net for families and vulnerable populations affected by COVID-19 around the world.

Agile response to community needs

In addition to the initial $20 million investment, 3M and 3M Foundation listened to and learned from our nonprofit partners about their evolving needs during the pandemic. We responded quickly by shifting millions of dollars in community investments to support basic needs in 3M communities impacted by COVID-19. Funds that were earmarked for specific programs were redistributed to support general operations and other in-the-moment needs. Our response included global humanitarian aid support, STEM education capacity building, local hunger relief, and support for basic needs. A portion of 3M STEM education funding was used to create **3M's Science at Home** program and support partner school districts and their students as they shifted to distance learning throughout the school year.

Activating 3M innovation for COVID-19 response

3M responded early and rapidly to the pandemic, supplying critical products to dedicated frontline health care workers and first responders.

- By the end of 2020, we produced 2 billion N95 respirators globally — more than three times the amount we manufactured in 2019. To handle the huge increase in demand for N95s, we expanded facilities, including building new production sites.
- In addition to N95 respirators, 3M ramped up production of other solutions used in the response to COVID-19, including hand sanitizers and disinfectants. See the **Our customers** section and our feature story **COVID-19 innovations** for further information on expanded products helping to fight the COVID-19 pandemic.

3M locations around the world developed products to help protect essential workers. Some of the most notable examples include:

- **3M collaborated with Ford Motor Company** in the development of Ford's Limited-Use Public Health Emergency powered air-purifying respirators (PAPRs), which were donated to U.S. health care providers.
- **3M's Construction and Home Improvement Markets Division gave Dow 3,150 rolls of duct tape** — more than 107 miles of tape — to seal the seams of 100,000 medical isolation gowns Dow donated to help frontline workers in Texas, Louisiana, and Mexico.
- Due to a shortage of hand sanitizer at its site, 3M Zwijndrecht decided to start manufacturing its own hand sanitizer. After receiving a permit from the government, 3M Zwijndrecht was able to produce and provide hand sanitizer to 3M employees at its own site, other 3M sites, and to elderly care centers, schools, and 3M Zwijndrecht retirees. Overall, 10,000 liters (2,642 gallons) of hand sanitizer were distributed. Learn more in our **3M Zwijndrecht Site spotlight**.

By the end of 2020, 3M produced

2 billion

N95 respirators globally.

- **A small team at 3M headquarters designed, produced, and donated more than 500,000 face shields made from excess materials on hand.** The zero-waste designed face shields were distributed by 3M partner Direct Relief to health care workers across the U.S. The face shields help protect the wearer from fluids and can also help extend the lifespan of N95 respirators. The face shields were shipped using a simple, flat-pack friendly design — and a donation of Scotch™ Flex & Seal packaging material from the Stationery and Office Supplies Division.

We worked in unprecedented ways with other companies to approach the challenge from many different angles. Learn about these collaboration efforts at our webpage **How we're helping fight the pandemic** and our feature story **COVID-19: A catalyst for unprecedented collaboration**.

Social justice, racial equity, and inclusion

When George Floyd was killed in Minneapolis, it shined a light on longstanding racial inequities and made a huge impact on our community and our world. In response, 3M strengthened our focus in the areas of social justice, racial equity, and inclusion.

We immediately established a social justice working group comprised of our Employee Resource Network (ERN) leaders to help administer an initial pledge of $2 million. The funds were divided into two categories: $1 million was allocated to fund social justice programs, and $1 million was dedicated to rebuilding our local community.

- **$1 million – 3M Foundation Social Justice Fund**

  In partnership with 3M's African American Network and our ERN Community Champions, the 3M Foundation distributed $1 million in grants. Our ERN-led philanthropic model empowers the voice of our employees to influence our philanthropy and recognizes lived experience as an important input to our decision-making. The working group helped to determine fund goals and reviewed and assessed grant opportunities.

- **$1 million – Community rebuilding**

  3M Foundation contributed to the rebuild of St. Paul, Minnesota, with a focus on serving marginalized populations affected by the death of George Floyd. This includes racially diverse business owners, communities, and organizations supporting the people in the community.

  In addition to investments in organizations and initiatives, 3M took action to support the rebuild of marginalized communities impacted by civil unrest. In partnership with Heart of America Foundation, this holistic effort includes financial, in-kind, and volunteer support to rebuild 3M's hometown of St. Paul. One such effort was the rebuilding of Gordon Parks High School. 3M products and volunteers were utilized to refurbish the school. 3M will continue to offer support to rebuild other minority-led businesses and nonprofits in the community, including Springboard for the Arts.

$50 million commitment over five years

Education and workforce development are key to racial equity, and we pledged to invest $50 million over the next five years to address racial opportunity gaps through workforce development initiatives, embedding our commitment into our practice for years to come.

As we design the factories and labs of the future, we feel a responsibility to inform and support a more equitable pathway to these jobs among underrepresented populations. Through our new investments, we will broaden access to science, manufacturing, and skilled trades careers inside and outside of 3M, with a focus on progress for underrepresented groups.

Science for Community goal

In 2020, 3M announced a new goal to invest $50 million to address racial opportunity gaps in the U.S. through workforce development and STEM education initiatives by 2025.

3M Community Coalition

No single organization can create racial equity on its own. It will take communities, workplaces, and governments coming together to drive real and lasting change. In 2020, we formed the 3M Community Coalition, a group of diverse leaders from the Twin Cities (Minneapolis and St. Paul), including representatives from local government, nonprofits, and the education sector. This group brings forward community leader voices and perspectives to advise on plans for directing our $50 million investment to address pressing challenges and make the most equitable impact. The 3M Community Coalition is one part of our broader commitment to advance social justice and racial equity inside and outside of our company.

Our work starts in the Twin Cities, and the first commitments included:

- $5 million 3M Science. Applied to Life.™ United Negro College Fund scholarship and student support program for students in St. Paul
- Expansion of the 3M Manufacturing and Academic Partnerships (MAP) initiatives in St. Paul Public Schools
- $1 million annual corporate investment to social justice partnerships, led by our Employee Resource Network Community Champions and building on the initial investment from 3M Foundation in 2020

For more information on social justice, racial equity, and inclusion actions, see the **Diversity, equity, and inclusion section**.

Social Justice Awareness Challenge for 3M headquarters employees

The 3M Foundation Social Justice Awareness Challenge was a unique opportunity for employees at 3M headquarters, located just outside of St. Paul, to increase awareness about social justice issues in the Twin Cities and what 3M is doing to close the gap. For each employee who participated, 3M Foundation donated $25 to Greater Twin Cities United Way to help address increased needs in our community due to the COVID-19 pandemic.

Nearly

3K

3M employees participated, raising

$74K

for Greater Twin Cities United Way.

Partnership with Congressional Black Caucus Foundation

3M is partnering with the Congressional Black Caucus Foundation to support the non-partisan group's efforts to further social justice. 3M is one of 20 organizations providing funding to support the foundation's Social Justice Policy Fellows program and to establish scholarships for students attending Historically Black Colleges and Universities who are pursuing studies related to social justice policies. 3M's partnership with the Congressional Black Caucus is one part of our commitment to advance social justice and racial equity inside and outside of our company.

Empowering the next generation

3M empowers the next generation of scientists and engineers by supporting education initiatives that advance equitable outcomes in STEM for underrepresented students. Our support is focused on strengthening the STEM and skilled trades ecosystem for underrepresented students by inspiring an interest in STEM, helping to improve academic outcomes, and supporting opportunities for students to attain STEM degrees and skilled trades certifications. Data from **3M's State of Science Index (SOSI)** helps guide our strategic STEM investments. Learn more about **SOSI**.

We believe that a continuum of STEM engagement will help lead to economic equity for individuals, especially marginalized populations. Our strategy is to expand access to STEM opportunities and improve outcomes. We aim to:

Inspire: We support programs that inspire students and get them interested in STEM and skilled trades.

Improve: We help improve student academic outcomes by supporting academic programs, STEM teachers, and STEM classroom projects.

Transform: We encourage direct, positive, and enduring change through scholarships and programs that help students successfully pursue STEM/skilled trades degrees and/or certifications.

Community training resources

As manufacturing evolves and companies like 3M invest in facilities of the future, it is essential that our local technical schools and high schools have access to appropriate technologies and training. Following are some of the programs 3M is investing in to help keep the workforce pipeline flowing.

- The 3M Manufacturing and Academic Partnership (MAP) program provides manufacturing equipment, teacher training, and student scholarships through partnerships with high schools and technical colleges in communities where we operate. Since 2017, we have supported 37 high schools and 13 community and technical colleges, and we provided 26 scholarships. In 2020, MAP expanded outside the U.S. into Wroclaw, Poland.
- 3M is helping close the workforce gap across many industries around the world by supporting SkillsUSA since 2008 and WorldSkills™ since 2013 — two programs that provide forward-thinking educational programs, events, and competitions. SkillsUSA 2020 was canceled due to COVID-19, so 3M redistributed funds budgeted to support the competition and instead used them to strengthen diversity, equity, and inclusion in the SkillsUSA program. Learn more about skilled trade development **here**.
- Teach For America recruits, develops, and supports a diverse network of recent college graduates who make a two-year commitment to teaching in urban and rural communities across the United States. A 3M grant supported recruitment, training, and professional development of diverse STEM teachers — recognizing that when teachers reflect student demographics, it is academically beneficial for all students and particularly students of color.

Science at Home

Science at Home was launched in April 2020 as a way to provide accessible, hands-on science to the 55 million students across the United States who were suddenly distance learning after schools closed due to the COVID-19 pandemic. The online video library is a free resource that contains more than 20 experiments, each featuring a 3M scientist, engineer, or a special guest performing a simple experiment that follows the Next Generation Science Standards used by many states in the U.S. to measure science-related education. The Science at Home program has expanded to more than a dozen countries. To learn more, see **Shrinking potatoes and liquid fireworks: helping kids experience science while distance learning**.

Project Scientist

3M partnered with Project Scientist, an organization whose purpose is to ignite and cultivate confidence that a STEM career is attainable for any girl. Its Virtual Lab program served 1,670 girls in 2020 — 54% of whom were from underserved households. The Virtual Lab provided six weeks of virtual programs that included a weekly delivery of a hands-on STEM kit. Themes included Robotics & AI, Technology for Good, Food & Water Science, and Environment & Climate Change.

Science for Community goal

As part of our overall commitment to create greater equity in our communities, business practices and workplaces, in 2021, 3M announced a new global, education-focused goal to advance economic equity by creating five million unique STEM and skilled trades learning experiences for underrepresented individuals* by the end of 2025.

**3M defines underrepresented individuals in the United States using National Science Foundation research — focused on Black/African American, Hispanic/Latino, American Indian, gender and people with disabilities. For global definitions, we rely on gender diversity and local context for marginalized populations.*

3M TWIST (Teachers Working in Science and Technology) program

TWIST is typically a six-week paid summer program where teachers learn about 3M technology and work closely with a 3M host on a research project at 3M headquarters or various manufacturing facilities around the United States. In light of the pandemic, the 2020 program was virtual, shortened to four weeks, and took place only in St. Paul. Since TWIST began in 1984, over 1,000 teachers have participated — meaning the program is estimated to have impacted more than two million students in 3M communities in the U.S. Twenty teachers participated in TWIST in 2020.

Young Scientist Challenge

The **3M Young Scientist Challenge** is the premier middle school science competition in the U.S. for students in grades 5 through 8. This one-of-a-kind competition seeks to spark curiosity in students and empower them to solve real-world problems that help improve lives. The winner receives a $25,000 scholarship and the title of "America's Top Young Scientist" for the year. In lieu of the poster session typically held on campus, this year, 3M hosted five virtual sessions to introduce 3M employees to our 2020 3M Young Scientist Challenge finalists and their 3M mentors. The **2020 winner** found a molecule that can selectively bind to the spike protein of the SARS-CoV-2 virus to help find a cure for COVID-19.

Inspiring employees to make an impact

By investing in programs that promote a circular economy, fight against climate change, and create a more positive world through science, 3M inspires employees to make an impact on the world.

Skills-based volunteering

3M offers a portfolio of skills-based volunteering programs for employees called **3M Impact**, including 3M Impact Global, which sends employees to communities around the world to work on-site with local nonprofit organizations for two weeks. In 2020, 3M Impact Global planned to expand to 250 participants and 15 deployments. The Mexico and India deployments were completed in February, but due to COVID-19, the remaining deployments were put on hold.

3M Impact Local, where employees partner with a nonprofit organization located in their own community, transitioned to a virtual format in Minneapolis and St. Paul, Minnesota, Mexico, and Brazil, and expanded to additional locations in India, Costa Rica, and the Philippines.

3M's hackathon model, called 3M Impact in a Day, was also held virtually, supporting 16 nonprofit organizations by providing functional expertise in human resources, marketing, IT, finance, and process improvement. Most notably, in response to both COVID-19 and 3M's commitment to social justice, we launched 3M Impact Health Care, the newest addition to the 3M Impact portfolio, to use our health care expertise to help address health care inequities.

The goal of 3M Impact Health Care is to build the capacity of nonprofit and community health organizations whose mission is to provide health care services to historically disadvantaged populations. The first deployment included 32 of our employees who partnered with eight organizations, including locations in the U.S., Brazil, and Kenya.

In 2020, 3M provided

14.6K

work hours of skills-based volunteerism through 3M Impact.

Post-graduate learning opportunity

While some 3M internships were able to move to a virtual format this summer, others required hands-on experience, such as the 3M Optimized Operations Experience. This manufacturing and supply chain development program provides recent engineering, supply chain, data analytics, and environmental, health, and safety graduates the opportunity to jump-start their careers. These manufacturing-focused interns were assigned to 3M sites that prioritized building and distributing products to help frontline workers during the pandemic.

A world of volunteers

Our seventh annual 3M Global Volunteer Day, observed in September, was held virtually and focused on four key United Nations Sustainable Development Goals (SDGs): SDG 2, Zero Hunger; SDG 4, Quality Education; SDG 10, Reduced Inequalities; and SDG 15, Life on Land. Fifteen of our sites around the world participated by choosing one of these four SDGs, identifying a related NGO or virtual volunteer project, recruiting a 3M team to participate in the project, and then sharing the team's project on a virtual volunteer site.

Standing out among standouts

For the past 34 years, the 3M Volunteer Award has celebrated extraordinary 3M volunteers who generously share their time and talents to improve lives in the areas of education, community, or the environment. 20 awardees were honored globally in 2020, representing the U.S., U.K., Germany, Australia, Italy, and Mexico.

Big hearts, matched

As part of the 3M Foundation Volunteer Match program, 3M Foundation donates money to eligible nonprofit organizations when a 3M employee or retiree volunteers 25 hours or more per calendar year in the United States. Since 2000, 3M Foundation has donated $10.2 million in 3M Volunteer Match dollars, and in 2020, Volunteer Match grants supported 1,339 unique schools and/or nonprofit organizations throughout the United States.

Giving that starts at home

3M Foundation seeks to amplify the philanthropic impact of U.S.-based employees through the Community Giving Program. 3M Foundation's program matches up to $1,000 per employee gift plus an added level of matching gifts to higher education institutions. In 2020, employees contributed $3.04 million in donations and pledges to the Community Giving Program. When combined with the 3M Foundation match, this totaled more than $5.80 million in donations to help solve our communities' greatest needs. 2020 marks the first year this program has been open year-round to align with our employees' giving priorities.

Enhancing community vibrancy

3M and 3M Foundation enhance the vibrancy of our communities by assuring access to basic needs, preparing youth for lifelong success, increasing access to diverse arts opportunities, and contributing to global humanitarian relief efforts.

Go-power for NGOs

3M worked with the National Association for the Exchange of Industrial Resources (NAEIR) to provide needed materials and supplies to a multitude of nonprofit organizations in the United States, from hospitals to schools to shelters. In addition to streamlining 3M's excess product donations process, NAEIR is a 3M strategic partner, administering the 3M Supplies for Community Partners and the 3M Supplies for Schools product donation programs in 3M communities across the United States.

2020 giving by focus area

	Cash	In-kind	Total	Volunteer hours
Community	$36,000,000	$24,600,000	$60,600,000	
Education	$19,900,000	$5,440,000	$25,400,000	194,000
Environment	$1,910,000	$8,160	$1,920,000	
Total	$57,800,000	$30,100,000	$87,900,000	194,000

2020 global giving by region

	Cash	In-kind	Total	Volunteer hours
Asia Pacific	$1,200,000	$1,530,000	$2,720,000	5,820
Europe, Middle East, Africa	$333,000	$197,000	$526,000	4,570
Latin America	$1,140,000	$576,000	$1,720,000	13,800
United States, Canada	$41,500,000	$25,800,000	$67,300,000	169,000
OUS, region not defined	$13,600,000	$1,970,000	$15,600,000	128
Total	$57,800,000	$30,100,000	$87,900,000	194,000

Values presented in this table represent the most current values, in $USD, but are still subject to change. Totals may vary due to rounding. Volunteer hours include employees and retirees. In-kind giving includes a small subset of pro bono volunteerism assessed at then-current value per hour in alignment with valuation guidance defined by CECP.

A large part of this effort involves donating excess inventory, leveraging life-improving products in meaningful ways to help people who are in need.

For information on how 3M products help build sustainable communities, visit the **Our customers** and **Our products** sections.

When combined with 3M Foundation match, employee donations totaled more than

$5.80

million to help solve our communities' greatest needs.

Empowering local communities

3M sites in the U.S. have their own 3M Foundation budgets as well as the authority to determine how to help address local community needs and set priorities. See our **Site spotlight** stories for examples.

In addition to annual, locally allocated budgets, given COVID-19 and the growing social needs in our community, 3M Foundation did the following:

- Asked 76 U.S. sites, including Puerto Rico and 3M headquarters, to nominate a local public charity or school for a hunger relief grant that they could verify was offering food assistance or meals to the public. Grants were then provided to the identified organizations.
- Provided a grant to Feeding America to further allocate funds to a food bank within each U.S. state (plus Puerto Rico) where we have 3M operations.

In total, 3M reached

35

food banks

with these hunger relief funds.

Global community investments

Volunteer programs in 29 countries/regions

STEM programs in 29 countries/regions

15 countries/regions hosted 3M Impact global projects

Foundations in 5 countries/regions

Humanitarian aid for natural disasters (non-COVID-related)

In 2020, we provided financial and product donations to help with Australian wildfires, an ammonium nitrate explosion in Beirut, Hurricane Laura in the U.S., and Hurricane Eta in Honduras/Nicaragua. In January, prior to the global spread of COVID-19, we provided funds to Wuhan, China, to assist with the outbreak.

Product donations were distributed through MAP International and Direct Relief and included respirators, insect repellant, surgical masks, coveralls/isolation gowns, ACE™ products, eyewear, ear protection, Nexcare™ products, FUTURO™ braces, exam gloves, and safety vests.

Looking forward

In 2021, we announced and will focus on our new goal for advancing equity in STEM and skilled trades. Our approach will identify and address policies that inadvertently perpetuate inequities while also building new strategies to positively advance equitable outcomes. This includes taking steps to forward our five-year, $50 million commitment to address social justice, both within 3M and in our communities.

We will continue our fight against COVID-19, including launching new products to help protect health care workers and our communities and supporting populations disproportionately affected by the pandemic.

We will continue to adapt our portfolio of 3M Impact programs to meet the needs of our communities in 2021. This includes the continuation of 3M Impact Health Care with an additional four cohorts and an estimated additional 16 nonprofit organizations. While 3M Impact Global remains on hold due to the pandemic, we will continue to advance 3M Impact Local by adding additional locations. This will be a meaningful step in 3M's Science for Community goal to provide 300,000 work hours of skills-based volunteerism by 3M employees to improve lives and help solve society's toughest challenges.

Throughout 2021, 3M will add depth and direction to the Strategic Sustainability Framework, including Science for Circular, Science for Climate, and Science for Community. Get updates on **3M's Strategic Sustainability Framework**.

3M will focus on our new goal for advancing equity in STEM and skilled trades.

Employee diversity, equity, and inclusion

Cultivating a connected community by listening, understanding, and acting

Our commitment

Inclusion leads to engagement, engagement fosters creativity, creativity sparks innovation, and innovation manifests growth. To become the most inclusive enterprise we can be, 3M focuses on engaging every employee and attracting top talent around the world. Diversity, equity, and inclusion (DE&I) are the foundation of our **Value Model**. Our Value Model comprises the actions we take that make us unique among companies and differentiate us in our marketplace.

We know that a diverse, global workforce — people with different experiences, racial and ethnic backgrounds, ages, gender identities, sexual orientations, abilities, personalities, styles, and ways of thinking — helps us relate more closely to the needs of all 3M customers, suppliers, and channel partners around the world.

Equally important, we know that inclusion is the key to unlocking the power of diversity. An inclusive culture supports and appreciates differences and provides fair and equal opportunities for everyone — people are respected for being exactly who they are, and everyone feels a sense of belonging.

Above all, fostering a culture that supports diversity, equity, and inclusion is the right thing to do. Diversity, equity, and inclusion are about creating intellectual and emotional oxygen so all people can flourish and feel comfortable to collaborate, agree, disagree, and respectfully exchange, learn, and create.

Our **Code of Conduct** lays out what it means to be a 3M employee and includes the 3M Respectful Workplace Principle:

Be Respectful: We strive to have a work environment that reflects and values the best in all of us, where we treat each other respectfully and professionally, and where individual differences are valued.

3M's **Respectful Workplace Principle** states that "everyone is entitled to respectful treatment in the 3M workplace. Being respectful means being treated honestly and professionally, with each person's unique talents, background, and perspectives valued. A respectful workplace is free from unlawful discrimination and harassment, but it involves more than compliance with the law. It is a work environment that is free of inappropriate or unprofessional behavior and consistent with 3M's ethics and values — a place where all employees can do their best and are free to report workplace concerns without fear of retaliation or reprisal."

To foster this kind of workplace, we follow our **Equal Employment Opportunity (EEO) policies**, which prohibit all forms of discrimination or harassment against applicants, employees, vendors, contractors, or customers on the basis of race, color, creed, religion, sex, national origin, age, disability, veteran status, pregnancy, genetic information, sexual orientation, marital status, citizenship status, status with regard to public assistance, gender identity/expression, or any other reason prohibited by law.

Science for Community goal

In 2020, we announced an additional U.S. diversity goal aligned with our global goal: double the representation of Black/African American and Hispanic/Latino employees. Our global Diversity Index indicates that we have made progress, but we have more work to do. We are building on our foundation by taking accelerated, bolder action with new commitments to bring the demographics of 3M's workforce in line with the broader workforce and advance representation of underrepresented groups at 3M.

Our affirmative action policies and programs are designed to assure equal opportunities for qualified underrepresented groups, women, covered veterans, and individuals with disabilities and are also designed to provide reasonable accommodations to individuals with disabilities.

In 2020, social justice, racial equity, and inclusion were critical topics in the world. We announced a commitment to **listen, understand, and act**. By first having candid conversations with our employees and understanding the needs of our communities, we brought our full capabilities to power racial equity and inclusion within our company and beyond.

We will continue to advance this work through our 3M Platforms for Change: racial justice for the future of work and empowering an inclusive culture.

In 2018, 3M created a new vision for our culture, with Powered by Inclusion as a key element. We formed a CEO Inclusion Council to drive change and bring the voices of our Employee Resource Networks (ERNs) and other diverse perspectives to our senior team. We aligned to new external standards and continued to build the diversity of our leadership in support of our goal to double the pipeline of diverse managers, and we provided resources and programming to build advocacy for inclusion across 3M.

Science for Community goal

Double the pipeline of diverse talent in management to build a diverse workforce by 2025.

Progress: *43.2% toward goal of 65.2%*

Increasing diverse representation in every region in which we operate globally is a core part of our sustainability strategy. Doubling our diverse talent in management positions will ultimately help build a diverse pipeline for executive leadership as well. We recognize that definitions of diversity vary among different countries and cultures.

The 3M definition of diverse representation includes gender, race/ethnicity, nationality, people with disabilities, U.S. military veterans, and people who identify as lesbian, gay, bisexual, transgender, questioning or queer, intersex, or another gender identity or sexual orientation (LGBTQI+). To measure progress against our goal, we use the 3M Diversity Index, which represents the total number of diverse leaders within the company globally.

In many countries, including the United States, we provide our employees the opportunity to voluntarily contribute to the Diversity Index database through confidential self-identification of information such as disability status, veteran status, sexual orientation, and gender identity.

3M aims to reflect the diversity of our customers, suppliers, and channel partners.

To date, we have improved our global Diversity Index by 10.6 points, moving from 32.6% to 43.2%, progressing toward our 2025 goal of 65.2%.

As we advance our social justice, diversity, equity, and inclusion initiatives, we are committed to:

- Accelerating representation globally across all dimensions of diversity, with a focus in our U.S. workforce on people who are Black/African American and/or Hispanic/Latino
- Systematically reviewing and adjusting our practices for fairness and equity
- Training and developing all 3M leaders in racial inclusion advocacy
- Using our advocacy to support inclusive communities and workplaces globally

Our actions

Every day, we work to assure that the 3M workforce is representative of the people with whom we do business. This entails strengthening 3M's reputation as a great place for everyone to work and focusing on:

- Seeking and attracting diverse and qualified candidates globally
- Building our global pipeline of diverse candidates

Beyond our day-to-day efforts to support diversity in 2020, we also actively promoted initiatives to engage our people, attract the best talent, and create a work environment where everyone feels safe and included.

Creating an Equity & Community organization to support lasting change

In 2020, 3M created a new Equity & Community organization to support our goals and commitments to progress equity in our workplaces, business practices, and communities globally. As we advance our social justice and equity initiatives with urgency, we know systemic change requires resources and long-term dedication.

For more information, see our feature story, **Listen, understand, and act: committing to an ambitious social justice agenda**.

3M's first-ever Diversity, Equity & Inclusion Report

For the first time, we've issued a **Diversity, Equity, & Inclusion Report for 2020**. We want to celebrate some of our accomplishments and be more transparent about the diversity of our workforce and what the future holds at 3M. The report includes our response to the George Floyd tragedy, detailed data showing 3M's workforce representation and pay equity progress, and our efforts to measure and increase a sense of belonging at 3M. The report includes new goals and standards we will hold ourselves accountable to.

Pay equity progress

We seek to assure that employees of different genders are paid the same for similar job responsibilities and that our practices are creating gender pay equity across the globe. 3M has achieved pay equity within 90% of our global employee population, and we continue to make progress toward enterprise pay equity. An analysis of our largest countries — comparing national average raw pay gap data between men and women to 3M's compensation data — showed our raw pay differences are below external benchmarks. Fourteen of the 17 largest countries analyzed show an adjusted gender wage gap of 1% or less.

We are pleased to share we have achieved 100% pay equity in the United States for women and for racial/ethnic groups and will continue our work to increase or maintain pay equity and transparency across the globe.

For more details, read the **3M 2020 Diversity, Equity & Inclusion Report**.

Raising awareness inside of 3M

As we work to do more to improve diversity, equity, and inclusion, we start by taking actions in our company.

CEO Inclusion Council

3M's CEO Inclusion Council, created in fall 2018, focuses on action planning for diversity, equity, and inclusion initiatives. With 3M Chief Executive Officer Mike Roman as the chair, the CEO Inclusion Council consists of global senior leaders and **Employee Resource Network (ERN)** leaders.

Since its creation, the CEO Inclusion Council has spearheaded 3M's commitments to the United Nations Women's Empowerment Principles and LGBTI Standards of Conduct for Business, sponsored Allies to Advocates training at the 2020 Leadership Conference, conducted a listening session following the death of George Floyd, and led foundational work for the recent roll-out of the inclusive leadership feedback tool, which helps supervisors gather perspectives and increase their skills related to inclusion.

The CEO Inclusion Council met quarterly throughout 2020. During each meeting, leaders from at least two ERNs shared a presentation focused on their accomplishments over the last six months, their priorities and strategic plan, and suggestions on ways to improve.

The purpose is to elevate current inclusion challenges impacting the specific ERN or broader organization and then have a group discussion.

"Progress requires us all to stand up as advocates for racial inclusion and social justice," says 3M CEO Mike Roman. "3M will bring our science, our innovation, our volunteerism, and our business rigor to these challenges. I stand shoulder to shoulder with everyone who wants to make a difference and commit our expertise, experience, and energy to improving our society one community at a time."

"Progress requires us all to stand up as advocates for racial inclusion and social justice."

Mike Roman
Chief Executive Officer

Global Inclusion Index

In 2017, 3M created the Global Inclusion Index, based on employee survey data, to measure how included employees feel in the workplace. We use results from the survey to guide inclusion action plans across our organization. We regularly re-survey employees to measure progress and identify additional opportunities. U.S. and global inclusion teams are activated to help fortify our culture of inclusion and drive improvement in their individual organizations' Inclusion Index results.

Inclusive leadership feedback

In 2020, led by efforts from the CEO Inclusion Council, we launched an inclusive leadership feedback tool. This tool allows direct reports, peers, or colleagues to give feedback on a supervisor's inclusive behaviors in three areas: operating with transparency, seeking diverse perspectives, and empowering others to participate fully. All supervisors with direct reports were expected to initiate the tool and use the feedback to guide their development plan going forward. Advancing our employees' capabilities as inclusive leaders is both an expectation of our culture and our approach to performance.

3M Global Inclusion Day 2020

More than

8.5K

employees

from around the world participated in our virtual Global Inclusion Day event on November 5, 2020.

Leaders spoke about what's next for diversity, equity, and inclusion at 3M. Our newly appointed director of social justice strategy and initiatives joined the African American Network (AAN) and Latino Resource Network (LRN) chairs on a panel to discuss driving positive change through solidarity and intersectionality. Several other global leaders engaged in a separate panel discussion on creating safe spaces for social justice conversations and advocacy around the world.

Annual Women's Leadership Summit

For the 2020 Twin Cities Women's Leadership Summit, CEO Mike Roman spoke with 3M employee and 3M Women's Leadership Forum (WLF) member Lacey Smith about 2020's challenges and how 3M is supporting its employees during the uncertain times of a global pandemic.

International Women's Day

In March, thousands of 3M employees celebrated International Women's Day around the world. The focus in 2020 was on equal rights for an equal future. At 3M headquarters, the 3M WLF and Diversity & Inclusion Team hosted an interactive event that empowered employees to become advocates for equality and inclusion in their daily lives. Globally, over 1,000 3M employees joined live or virtual events at their location.

Sharing pronouns

To support the ways in which employees choose to express their gender identities, 3M enables them to share their pronouns in their personal profiles and email signatures. We encourage employees to check their colleagues' email signatures to assure they refer to each other in their preferred way, and we provided lanyard pins for employees to wear, if desired, to indicate their pronoun preference.

Domestic partner benefits

We offer benefits for eligible opposite-sex and same-sex domestic partners of employees, as well as their eligible dependents. 3M partners with fertility benefits provider Progyny to provide a comprehensive and inclusive fertility benefit for every unique path to parenthood. The benefit applies to employees and their partners who are covered by an eligible 3M medical plan. The benefit is inclusive of single parents and LGBTQI+ individuals and couples.

For more information on employee benefits, see the **Employee programs** section.

Raising awareness outside of 3M

Diversity, equity, and inclusion are core to 3M's values, which extend beyond our company to our communities. We are bringing more voices to the table, creating an environment where those voices are heard and valued, and innovating in meaningful ways to meet the needs of our diverse consumers and markets.

United Nations Standards: support of women and LGBTI community

3M supports the United Nations Women's Empowerment Principles and the United Nations LGBTI Standards of Conduct for Business. These United Nations standards recognize that more must be done to achieve equal treatment for women and individuals who identify as lesbian, gay, bisexual, transgender, and intersex (LGBTI) around the globe — and that companies play an important role in advancing equity. 3M is committed to having processes, policies, and programs in place that promote equality and safety, prevent harassment and discrimination, and advance women and LGBTQI+ individuals in the workplace and the community.

In February 2020, Denise Rutherford, 3M senior vice president of Corporate Affairs, participated in the UN's International Day of Women and Girls in Science. She took part in a panel discussion entitled "Equality in Science, Technology and Innovation: Global Trends and Challenges."

In September 2020, John Banovetz, 3M chief technology officer, participated in a "Women in Innovation" panel discussion sponsored by the United Nations Women for Peace. His remarks highlighted 3M's efforts to increase diversity and foster an inclusive culture. He also spoke about the importance of men as advocates.

Catalyst CEO Champions for Change

As part of the Catalyst CEO Champions for Change initiative, 3M CEO Mike Roman is one of more than 70 CEOs and industry leaders who have made a personal pledge to advance more women into all levels of leadership in their organizations. The goal is to accelerate change and achieve gender equity in the workplace, with the understanding that progress for women is progress for everyone. It's part of 3M's ongoing commitment to building a diverse and inclusive work culture.

At 3M, we believe in fair treatment, access, and opportunity for all individuals.

Human Rights Campaign: supporting equality for LGBTQI+ people

At 3M, we believe in fair treatment, access, and opportunity for all individuals, and we are committed to advocating for human rights and removing barriers to social justice and equality. That's why in 2020, 3M signed on to the Human Rights Campaign (HRC) Business Coalition for the Equality Act in the United States.

As part of the HRC Business Coalition for the Equality Act, leading U.S. employers state their support for federal legislation that would provide the same basic protections to LGBTQI people that are provided to other protected groups under federal law. The participating companies operate in all 50 states and employ more than 12.1 million people across the United States.

3M sponsored the HRC's Unite for Equality Live, a free-of-charge virtual event open to all and dedicated to advancing the HRC's mission for full equality.

The HRC is the largest LGBTQI advocacy group in the United States. The organization focuses on protecting and expanding rights for LGBTQI individuals, most notably advocating for marriage equality, anti-discrimination and hate crimes legislation, and HIV/AIDS advocacy, as well as supporting resources for LGBTQI individuals.

Martin Luther King Jr. Day

In January 2020, 3M was the lead sponsor of the 34th Annual State of Minnesota Martin Luther King Jr. Day Celebration held in St. Paul, Minnesota. Hosted by Minnesota Governor Tim Walz and Lieutenant Governor Peggy Flanagan, the theme was "For Our Children." Remi Kent, global chief marketing officer, 3M Consumer Business Group, was one of the keynote speakers. The event was attended by Rebecca Lucero, human rights commissioner for Minnesota, and Senators Tina Smith and Amy Klobuchar both made video appearances. The event was attended by hundreds of community members, students, and busloads of 3M employees.

Strategies to increase diversity pipeline in R&D

3M is always seeking innovative ways to further advance diverse representation in our R&D pipeline.

3M R.I.S.E. (Raising Influence in Science and Engineering) Conference

3M hosted a three-day virtual event, primarily intended to introduce emerging female and/or underrepresented science and engineering graduate students to the wide range of rewarding careers in research and development at 3M, one of the world's most recognized innovation companies. The application-only event kicked off with remarks and an overview by CEO Mike Roman and Chief Technology Officer John Banovetz.

GEM Consortium

The mission of The National GEM Consortium is to enhance the value of the nation's human capital by increasing the participation of underrepresented groups (Black/African Americans, Native Americans, and Hispanic/Latino) at the master's and doctoral levels in engineering and science. 3M is one of GEM's corporate partners and, in 2020, provided $125,000 to the organization. Greg Anderson, retired vice president of 3M's Corporate Research Lab, serves on the GEM Board of Directors.

R&D internships

The **R&D internship program** allows innovative undergraduate and graduate students — majoring in a broad range of science and engineering fields from an accredited institute — the opportunity to work with senior scientists on projects that have real-world applicability. Each intern has access to 3M's technological platforms, state-of-the-art scientific capabilities, and a world-renowned scientific community.

Employee Resource Networks (ERNs) foster inclusion

3M's ERNs are nine employee groups designed to nurture leadership skills and collaboration across cultures, lifestyles, and genders through events and activities as they align with their mission. Open to all employees, these organizations help 3M recruit, engage, and retain diverse talent and work with our businesses to provide relevant customer insights that can expand our marketplace reach. Learn more by visiting **3M's ERNs** and the **3M 2020 Diversity, Equity, and Inclusion Report**.

ERN Community Champions

Our ERNs have designated Community Champions who lead collaborative community outreach for each group. These individuals identify nonprofits that address major social disparities affecting their respective communities; participate in local 3M Impact projects to support underrepresented and under-resourced youth, families, and veterans; and support skills-based volunteer interactions to increase student exposure to STEM, business careers, and skilled trades. In partnership with 3M Foundation, the ERNs seek to drive equitable societal outcomes.

ERN member development opportunities

To address crowdsourced feedback from our ERN members around professional development, 3M's Diversity & Inclusion Team partnered with the Learning & Development Team to design a progressive development plan that aligns to the goals of our ERNs, Diversity & Inclusion Team, and the company. The ERN members use corporate learning tools and resources to create activation plans and accountability. This development journey is based on a growth mindset and will equip the ERNs to influence, lead, and build mentor, sponsor, and ally relationships across our four business groups.

Leadership development days

The African American Network (AAN), Latino Resource Network (LRN), and Asians and Asian-Americans Coming Together for Innovation and Opportunity Network (A3CTION) held virtual leadership development days in 2020.

Allies to Advocates training

Allies to Advocates workshops were facilitated for over 1,500 global participants in 2020, including ERN members with their executive sponsors, as well as business groups and staff groups. The workshops help participants examine their individual actions and ways to move beyond allyship to become advocates for diversity within 3M and beyond to combat racial, gender, and other injustices and inequities.

90-day ERN executive mentor program

To raise awareness of intersectionality, ERN members were selected and paired with 33 3M vice presidents to participate in a 90-day mentor program. Sponsored by WLF, this program was built to promote a growth mindset, psychological safety, and create new habits for the ERN mentees. The mentor program was facilitated by an external firm that provided guidance for success and created the pairings.

ERN support of social justice and intersectionality

Intersectionality is defined as the interconnected nature of social categorizations such as race, class, and gender as they apply to a given individual or group, regarded as creating overlapping and interdependent systems of discrimination or disadvantage. In 2020, 3M's ERNs worked together and with other groups to address and take steps toward social justice and intersectionality.

Virtual event hosted by CEO Mike Roman and co-sponsored by AAN, LRN, and WLF to address the death of George Floyd and share resources to take action

As people grieved the tragic loss of George Floyd, over 5,000 members of our 3M community came together on June 4, 2020, for a panel discussion about the impact of his death and our next steps to combat systemic inequity and racism against Black/African American individuals.

"We agree now is not the time to undertake studies. Now is the time to act," said 3M CEO Mike Roman. Following a minute of silence in memory of George Floyd, Ann Anaya, 3M's chief diversity officer, invited several 3M leaders and ERN chairs to speak about their responses to the death and share their plans for creating change. Roman said that he is leading the effort with the 3M CEO Inclusion Council and also by engaging with CEOs of other large companies.

3M Foundation Social Justice Fund

Following the death of George Floyd in Minneapolis, 3M Foundation established a **Social Justice Fund** of $1 million. The Foundation worked with a key group of 3M stakeholders, including ERN leaders, to assess local nonprofit organizations with a focus on legal justice, racial equity, and healing. The team ultimately selected four organizations to receive the grant funds in support of their crucial work. ERNs will continue to be involved in the selection process for $1 million annually in grant funding. See the **Communities** section for more information.

The Trevor Project

In addition to continued collaboration and conversation with the African American Network (AAN), 3M Pride fundraised as a community for The Trevor Project — an organization that provides confidential support for Black youth mental health — representing the intersectionality of the LGBTQI+ and Black/African American communities.

Celebrating personal identity

Intersectionality was one of 3M Pride's themes in 2020, exploring the idea that we must recognize and celebrate that our personal identity is the culmination of many experiences and identities, both seen and unseen. For the first time ever, 3M flew the Pride flag at its global headquarters in St. Paul, Minnesota, during Pride Week in the Twin Cities from June 24 through June 30, 2020.

Translating letters to support student-sponsor connections across the Americas

Common Hope, a nonprofit organization dedicated to using education to fight poverty in Guatemala, relies on volunteers to help translate thousands of letters a year between students in Guatemala and their sponsors, who are located in the United States. In July, **3M's LRN partnered with Common Hope** for the single largest translation event in the nonprofit's history — 500 letters translated from Spanish to English in just one week. Additionally, members from all 3M ERNs participated in a Walk for Hope challenge that raised money to help support children in Guatemala. On 3M World Volunteer Day, September 23, 2020, 3M employees all around the world translated an additional 500 letters.

In total, 435 3M employees translated

1.6K+

letters in 2020.

Support for our military community

3M strives to be the premier employer for the military community, with paid leave benefits that reflect our commitment to veterans and the mission of the Military Support Network (MSN). The MSN provides active support and outreach, professional development, and focused veteran hiring services to current 3M military veterans, their families, and other military members seeking to join 3M.

For more information on employee benefits, see the **Employee programs** section.

Current progress and opportunity

Racial and ethnic diversity

Current progress and opportunity

Percentage of global female employees

Current progress and opportunity

Percentage of female hires, 2020

Looking forward

We will advance 3M through our people and our culture, engaging our current employees, attracting best-in-class employees, and increasing the diversity of our workforce. 3M's nine ERNs will continue expanding their reach across the United States and the world. This global connectivity and solidarity across all of 3M will accelerate our advancement of diversity, equity, and inclusion in our company. The CEO Inclusion Council will champion projects that specifically advance our culture of inclusion in order to further accelerate our diversity and inclusion efforts.

We will continue to drive progress on our 2025 goal to double the diverse pipeline of global leadership and our U.S. goals to double the representation of underrepresented groups from entry-level to senior management and double the representation of underrepresented groups in senior management positions. For more information on our commitments, see **3M's Diversity, Equity, & Inclusion Report**.

Recognition

Here, at 3M, we strive to improve every life, act with uncompromising integrity, and ask question after question to develop innovative solutions with a purpose.

We value the recognition we receive, as it shows we are a company driven by employees who are truly making a difference in the world.

The World's Most Ethical Companies®

2021 WORLD'S MOST ETHICAL COMPANIES® ™
WWW.ETHISPHERE.COM
8-TIME HONOREE

The World's Most Ethical Companies® program, managed by the Ethisphere® Institute, honors companies that excel in "promoting ethical business standards and practices internally, enabling managers and employees to make good choices, and shaping future industry standards by introducing tomorrow's best practices today." According to the institute, honorees have also historically outperformed other companies from a financial perspective, supporting the notion that sound ethical practices are appreciated in the competitive marketplace. This year's honorees spanned 22 countries and 47 industries. It was the eighth consecutive year 3M made the list.

3M Brazil: Pró-Ética Certification Award

For five years, 3M Brazil has been recognized by the Brazilian Government with the Pró-Ética Certification Award. The certification was created to promote ethics and encourage companies to take voluntary steps to prevent corruption, creating a more ethical, transparent, and honest business environment. 3M Brazil was recognized for top management's commitment to ethics, their policies and procedures, and their risk monitoring and analysis.

Best Places to Work for LGBTQ Equality

Human Rights Campaign Foundation's 2020 Corporate Equality Index is the national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual, transgender, and queer (LGBTQ) employees. For the ninth straight year, 3M earned a perfect score of 100% and, along with it, the distinction of being named among the "Best Places to Work for LGBTQ Equality."

Best Places to Work for Disability Inclusion

In the sixth annual Disability Equality Index® (DEI®) survey, 3M earned a top score of 100%, making 3M one of the "Best Places to Work for Disability Inclusion."

Top 100 Most Just Companies in the U.S.

AMERICA'S MOST JUST COMPANIES
Forbes 2021

In October 2020, Forbes and JUST Capital listed 3M as one of America's Most Just Companies in 2021. Forbes and JUST Capital evaluate the 1,000 largest public U.S. companies on issues that matter most to the American public — like paying a fair wage, upholding human rights across the supply chain, investing in worker training, acting ethically and with integrity, cultivating a diverse and inclusive workplace, protecting worker health and safety, providing good benefits and work-life balance, and more. 3M was recognized as the top performer among all companies in the Industrial Goods sector in issues relating to giving back to their communities. 3M also moved up over 100 spots from last year to land at number 90 on the overall top 100 list.

EcoVadis Gold Recognition Level

EcoVadis awarded 3M a Gold Recognition Level for achievements in the 98th percentile of suppliers assessed in corporate social responsibility (CSR) in global supply chains.

FTSE4Good Index Series

FTSE Russell confirmed that 3M, in 2020, had been independently assessed according to the FTSE4Good criteria and satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong environmental, social, and governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

ISS Environmental and Social Quality

3M earned best-in-class ranking for risk management around environmental and social areas of concerns by Institutional Shareholder Services (ISS). 3M earned the top-performing ISS QualityScore of "1."

MSCI ESG Ratings

MSCI's ESG ratings provide institutional investors with a robust ESG integration solution. In 2020, MSCI awarded 3M the AAA rating, the highest rating.

3M was recognized in TIME Magazine's list of Best Inventions of 2020 in the Productivity category for the Post-it® Flex Write Surface.

World Business Council for Sustainable Development, Reporting matters

In 2020, Reporting matters published by the World Business Council for Sustainable Development (WBCSD) recognized 3M for its good practice of strategy in our annual Sustainability Report: "3M presents a strategic sustainability framework that is broken down into three overarching pillars in its 2020 Sustainability Report. It clearly demonstrates how material sustainability topics factor into the different pillars of the strategy and how stakeholders view the relative importance of different components of the strategy."

3BL Media 100 Best Corporate Citizens

In 2020, Corporate Responsibility Magazine named 3M the 51st best corporate citizen for being a standout business in the areas of environmental, social, and governance performance. 3M has made the ranking each year since 2009.

TIME Best Inventions 2020

3M was recognized in TIME Magazine's list of Best Inventions of 2020 in the Productivity category for the **Post-it® Flex Write Surface**.

Woman Engineer Magazine

3M was ranked No. 5 on Woman Engineer Magazine's Top 50 Employers for 2020.

Latina Style Award

In September 2020, 3M was selected as one of the Top 50 companies for Latinas to work for in the United States by LATINA Style Inc. The LATINA Style 50 Report sets the standard for identifying corporations that are providing the best career opportunities for Latinas in the United States.

Top 50 Workplaces for Indigenous STEM Professionals

3M was recognized by the American Indian Science and Engineering Society (AISES) as one of 50 workplaces setting the standard for Indigenous STEM professionals. AISES is a national nonprofit organization focused on substantially increasing the representation of Indigenous peoples of North America and Pacific Islands in science, technology, engineering, and math (STEM) studies and careers.

Derwent Top 100 Global Innovators™ 2020

The Derwent methodology examines an organization's patent portfolio strength and quality, assessing not just volume of filed patents but the number of citations to a company or institution, proportion of patent applications submitted to a patent office that proceeded to grant, and the proportion of inventions that were filed in key markets. These criteria create a combined indicator score used to identify the top 100 most innovative organizations globally. Since 2012, 3M has made the Derwent Top 100 Global Innovators list every year.

We value the recognition we receive, as it shows we are a company driven by employees who are truly making a difference in the world.

How we work

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How we work

Just as sustainability is embedded throughout our Value Model, sustainable thinking is embedded into the core of 3M and in the strategic planning process we use for every business. In each of our business groups and areas, we have dedicated sustainability leaders who develop a relevant and well-informed strategy specific to their market demands and business goals.

3M's groundbreaking Pollution Prevention Pays (3P) program, which began in 1975, continues at 3M. Sites submit, undertake, and track 3P projects annually in order to reduce waste. Over the past 46 years, these projects have prevented 2.68 million short tons of pollutants. We recognize the important role sustainability has in every part of our operations and are committed to further embedding this in our DNA as we grow.

Throughout 2020, we worked differently due to COVID-19, but sustainability remained in focus. It was a year where we expanded on Science for Community as we collaborated in new ways with other companies and with each other to help fight COVID-19, all while shifting how we work, whether remotely or on-site. Even in the midst of a global pandemic, we continued to build sustainability into our products and our processes.

Over the past 46 years, 3P projects have prevented

2.68M

short tons of pollutants.

Corporate governance

Our commitment

3M believes that good corporate governance practices serve the long-term interests of shareholders, strengthen the Board and management, and further enhance the public trust 3M has earned from more than a century of operating with uncompromising integrity and doing business the right way.

Our corporate governance principles govern how we do business daily, enabling us to outperform and lead the way to sustainable growth. They provide a framework that defines the roles, rights, and responsibilities of different groups within the organization, the Board's role in risk oversight, public policy engagement, and 3M's commitment to sustainability.

3M's **Board of Directors** oversees the CEO and senior management and assures that appropriate procedures and controls are in place covering management's activities in operating the company on ethical grounds on a day-to-day basis.

More than a century of operating with uncompromising integrity has earned 3M trust from our customers.

3M's Board of Directors has adopted **Corporate Governance Guidelines** which provide a framework for the effective governance of the company. The guidelines address matters such as the respective roles and responsibilities of the Board and management, the Board's leadership structure, the responsibilities of the lead independent director, director independence, the Board membership criteria, Board committees, and Board and management evaluation. The Board's Nominating and Governance Committee is responsible for overseeing and reviewing the guidelines, at least annually, and recommending any proposed changes to the Board for approval. The Corporate Governance Guidelines, **Certificate of Incorporation** and **Bylaws**, the charters of the Board committees, **Director Independence Guidelines**, and **Board of Directors Code of Conduct** provide the framework for the governance of the company and are available on our website at **www.3M.com**, under **Investor Relations — Governance**.

The Board's current leadership structure is characterized by:

- A combined Chairman of the Board and CEO
- A strong, independent, and highly experienced lead director with well-defined responsibilities that support the Board's oversight responsibilities
- A robust committee structure consisting entirely of independent directors with oversight of various types of risks
- An engaged and independent Board

The Board believes that this leadership structure provides independent Board leadership and engagement while deriving the benefits of having our CEO also serve as Chairman of the Board. As the individual with primary responsibility for managing 3M's day-to-day operations and with in-depth knowledge and understanding of the company, the CEO is best positioned to chair regular Board meetings as the directors discuss key business and strategic issues. Coupled with the lead independent director, this combined structure provides independent oversight while avoiding unnecessary confusion regarding the Board's oversight responsibilities and the day-to-day management of business operations.

Board's role in the company's long-term strategy

Each year, management presents to the Board, and the Board discusses and approves detailed long-term strategic plans for the company. In addition to 3M's overall strategic plan, financial strategic plan, enterprise strategic plans, and priorities, including Enterprise Operations, Sustainability Goals, and environmental, social, and governance (ESG) metrics, the discussions also focused on breakout sessions with the directors on strategic plans and priorities for each of the four business groups.

Our long-term strategy is outlined in the 3M Value Model. Our 3M Value Model differentiates us. It represents how we apply science to life and deliver premium value for our stakeholders — our customers, shareholders, employees, communities, and business partners. The model is built around our Vision, strengths, priorities, and Values. Additional details can be found in the **3M Value Model** section.

3M's Code of Conduct

More than a century of operating with uncompromising integrity has earned 3M trust from our customers, credibility with our communities, and dedication from our employees. And for the eighth year in a row, 3M has been recognized by Ethisphere® as one of the World's Most Ethical Companies®.

3M's **Code of Business Conduct and Ethics for Members of the Board of Directors** incorporates the long-standing principles of conduct 3M and the Board follow to assure the company's business and the activities of the Board are conducted with integrity, adherence to the highest ethical standards, and in compliance with the law.

Our Code of Conduct applies to all employees, including our CEO, Chief Financial Officer, and Chief Accounting Officer. See the **Corporate Code of Conduct** section for additional details.

Diversity of the Board

For 3M, diversity, in its myriad manifestations, is fundamental to innovation, performance, and relevancy. The Board of Directors regards diversity as an important factor in selecting nominees to serve on the Board. When selecting nominees, it actively considers diversity in recruitment and nomination of directors, such as gender, race, ethnicity, sexual orientation, and national origin. The current composition of our Board reflects those ongoing efforts and the continued importance of diversity to the Board.

Public policy engagement

As a concerned member of our communities, 3M actively participates in public policy and legislative advocacy, or "lobbying." As appropriate, 3M also may support candidates and political committees in elections. 3M resources may only be used for political or lobbying activities when consistent with **3M's Code of Conduct Principles** and approved in advance by the Political Action Committee Board (for the U.S.), the Area Corporate Affairs vice president (outside the U.S.), and assigned 3M legal counsel. 3M's Government Affairs organization coordinates and oversees 3M's lobbying and political activities.

We believe that transparency with respect to the consideration, process, and oversight of our engagement with lawmakers is important to our shareholders, and we continuously make efforts to give our shareholders useful information about our public policy engagement. Since 2007, we have voluntarily published a detailed explanation of the company's political activities in our **Lobbying and Political Activities Principle**. Within the **Lobbying and Political Activities Governance** document, we provide links to the reports the 3M Political Action Committee files monthly with the U.S. Federal Election Commission and the company's quarterly Lobbying Disclosure reports, as well as a detailed list of our contributions to U.S. state candidates and political parties and contributions to "527" political organizations. We also disclose the trade associations 3M has joined in which $25,000 or more of the dues are allocated for lobbying purposes by the trade association. We believe that these disclosures on our **website**, which exceed the disclosures required by law, offer transparency regarding the company's public policy engagement and political activities.

3M's approach to taxation

3M is committed to complying with all applicable tax laws, rules, regulations, and reporting and disclosure requirements through the implementation of standardized, simplified, cost-effective and automated compliance processes. This means paying the right amount of tax in the right place at the right time and involves disclosing all relevant facts and circumstances to the tax authorities and claiming reliefs, incentives, and exemptions in line with and in the spirit of the applicable tax legislation.

In addition, 3M's tax strategy is consistent with the principles set forth in **3M's Code of Conduct**:

- **Be Good:** Obey the law and 3M's Code of Conduct
- **Be Honest:** Act with honesty and integrity
- **Be Fair:** Play by the rules, whether working with government, customers, or suppliers
- **Be Loyal:** Protect 3M's interests, assets and information
- **Be Accurate:** Keep complete and accurate business records
- **Be Respectful:** Respect one another and our social and physical environment around the world

3M approach to risk management and governance arrangements in relation to taxation

At the highest level, responsibility for taxes resides with 3M's Global Tax Department based in 3M's headquarters in the United States. The vice president for tax and real estate reports to 3M's senior vice president and chief financial officer and is a member of 3M's Finance Committee. The Tax Operating Committee, under the leadership and direction of the vice president, tax and real estate, has oversight over the material tax matters of 3M's worldwide business and supply chain.

3M assures the appropriateness of its accounting and tax records on an ongoing basis to enable us to meet our compliance obligations. We document and confirm with the respective country authorities in which we operate.

Appropriate training is carried out for staff who manage or process matters that have tax implications.

Day-to-day management of 3M's taxes are delegated to the tax manager responsible for the respective region/country. Processes relating to various taxes are allocated to the relevant process owners responsible for executing tax compliance controls. Appropriate training is carried out for staff who manage or process matters that have tax implications.

Transactions between 3M companies are conducted on an arms-length basis in accordance with appropriate transfer pricing rules. This ensures 3M's profits are taxed where economic activities are performed.

Where there are any areas of uncertainty, 3M engages its external professional advisors to provide specialist advice as and when needed.

Reporting concerns

As with all instances of unethical or unlawful behavior, we encourage our employees to ask questions or report concerns to management, 3M's Ethics & Compliance Department, 3M legal counsel, 3MEthics.com, their assigned human resources manager, 3M Corporate Audit Department, or the Audit Committee of the Board of Directors. For information on reporting concerns about unethical or unlawful behavior, see the **Corporate Code of Conduct** section.

Attitude of the 3M Company to tax planning

3M engages in tax planning that is aligned with its commercial business activities or supply chain needs and in compliance with tax rules and regulations. 3M may engage in tax planning or other activities potentially perceived as tax planning. We do not engage in artificial tax arrangements that lack economic substance, one of the main purposes of which would be to obtain a tax advantage. We may, however, evaluate potential economic options resulting from business transactions with consideration of tax efficiency.

Level of risk in relation to taxation that 3M Company is prepared to accept

Our approach to tax risk follows similar principles that apply to our management of legal, compliance, and other business risks. Our internal framework operates to support compliance with tax laws and regulations to ensure we identify, assess, and mitigate tax risks.

Approach toward engagement with tax authorities

We strive to have an open, honest, and collaborative working relationship with tax authorities. 3M assures that specific tax authorities are kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage.

When submitting tax computations and returns to country tax authorities, 3M discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain. We recognize that there could be areas of differing legal interpretations between 3M and tax authorities, and where appropriate, we will engage in proactive discussion to bring matters to as rapid a conclusion as possible. Any inadvertent errors in the submission of tax returns and tax computations are fully disclosed as soon as reasonably practicable after they have been identified.

Our actions

Board membership criteria

3M's Corporate Governance Guidelines contain Board Membership Criteria that include a list of key skills and characteristics deemed critical to serve 3M's long-term business strategy and expected to be represented on 3M's Board. The Nominating and Governance Committee periodically reviews with the Board the appropriate skills and characteristics required of Board members given the current Board composition. It is the intent of the Board that the Board itself will be a high-performance organization, creating a competitive advantage for the company.

To perform as such, the Board will be composed of individuals who have distinguished records of leadership and success in their arena of activity and who will make substantial contributions to Board operations and effectively represent the interests of all shareholders. The committee's and the Board's assessment of Board candidates includes, but is not limited to, consideration of:

- Roles in and contributions valuable to the business community
- Personal qualities of leadership, character, judgment, and whether the candidate possesses and maintains throughout service on the Board a reputation in the community at large of integrity, trust, respect, competence, and adherence to the highest ethical standards
- Relevant knowledge and diversity of background and experience in business, manufacturing, technology, finance and accounting, marketing, international business, government, and other areas
- Whether the candidate is free of conflicts and has the time required for preparation, participation, and attendance at all meetings

In addition to these minimum requirements, the committee will also evaluate whether the nominee's skills are complementary to the existing Board members' skills and the Board's needs for particular expertise in certain areas, and they will assess the nominee's impact on Board dynamics, effectiveness, and diversity of experience and perspectives.

Board refreshment

We regularly add directors to infuse new ideas and fresh perspectives into the boardroom. Six out of the 11 independent director nominees standing for this year's election have joined our Board within the past five years, including all four women directors. In recruiting directors, we focus on how the experience and skill set of each individual complement those of their fellow directors to create a balanced Board with diverse viewpoints and backgrounds, deep expertise, and strong leadership experience.

Shareholder engagement

Shareholder engagement is fundamental to our commitment to good governance and essential to maintaining our strong corporate governance practices. We engage regularly with our global investors to gain valuable insights into the governance issues about which they care most. We aim to seek a collaborative and mutually beneficial approach to issues of importance to investors that affect our business, and to assure that our corporate governance practices remain industry-leading from their perspectives.

During 2020, members of senior management met with a cross-section of shareholders owning approximately 33% of our outstanding shares or approximately 50% of our institutional shareholders. Topics discussed included Board/corporate governance; COVID-19 impacts and learnings; environmental, social justice, and sustainability; and portfolio management, growth, and transformation. Investors provided valuable comments and perspectives on the company's governance practices, including the Board's mix of tenure and overall diversity, the disclosure regarding the directors' skill sets and qualifications, director refreshment, evolving Board committee composition, and the company's actions in environmental stewardship and in fighting the COVID-19 pandemic. The feedback from these meetings was shared with the Board of Directors and helped inform the Board on corporate governance practices and trends.

Director independence

The Board believes in having a substantial majority of independent directors on the 3M Board. The **Corporate Governance Guidelines** and **Director Independence Guidelines** provide that a director is "independent" if the Board affirmatively determines that the director has no material relationship with 3M directly or as a partner, shareholder, or officer of an organization that has a relationship with the company and otherwise meets the requirements for independence of the listing standards of the New York Stock Exchange. The independent directors will make the Board decisions on corporate governance matters.

The guidelines specify the criteria by which the independence of our directors will be determined, including strict guidelines for directors and their immediate family members with respect to past employment or affiliation with 3M or its independent registered public accounting firm. The guidelines also prohibit Audit Committee and Compensation Committee members from having any direct or indirect financial relationship with the company and restrict both commercial and not-for-profit relationships of all directors with 3M. Directors may not be given personal loans or extensions of credit by the company, and all directors are required to deal at arm's length with 3M and its subsidiaries and to disclose any circumstance that might be perceived as a conflict of interest.

Governance actions

During 2020, the Board of Directors held six regularly scheduled meetings and five special meetings. Overall attendance at Board and committee meetings was 96%.

Board changes since 2016

Six of 11 independent directors have joined the Board, including all four women directors

Gender and racial/ethnic diversity

41.7%
Female or racially/ethnically diverse board members

* LGBTQ +; born outside of the U.S.; first generation U.S. citizen

Director age

63.9
Average years

Director tenure

6.4
Average tenure

Board size and independence

- Independent **11**
- Not independent **1**

Lead Independent Director

- Lead Independent Director with robust authority
- Combined Chairman and CEO positions

Advancing our operating model in 2020

3M has been on a journey to transform how we serve customers, work, and compete. The deployment of our enterprise resource planning (ERP) system has enabled us to improve our operations and accelerate the digitalization of 3M, and in January 2020, we implemented the next phase of our transformation: a new global operating model to further align our business groups with customers and go-to-market models. 3M business groups now have full responsibility for strategy, portfolio optimization, and resource prioritization across their global operations. The new model is designed to improve growth and operational effectiveness while empowering employees with more autonomy, reducing layers, and streamlining structure. It has enabled us to respond to COVID-19 with agility — from our significant expansion of respirator production to our ability to maintain business continuity and serve customers.

In 2020, we took significant actions to transform and build 3M for the future, while advancing our core values.

Commitment to economic, environmental, and social topics

At 3M, we are inspired and motivated by our Vision of advancing every company, enhancing every home, and improving every life. In collaboration with our employees, customers, partners, government, and communities, we apply our expertise and technology to help solve shared global challenges. Sustainability is a core commitment of our company. It plays an important role in our purpose-driven innovation in products, manufacturing processes, and new technologies — and we recognize and consistently seek opportunities to do more. It is our ambition to meet the increasing expectations of our customers, employees, investors, and stakeholders — and grow our business — by continuing to make bold sustainability commitments and taking stronger actions.

3M has a long-standing commitment to sustainability, from our groundbreaking Pollution Prevention Pays program that began in 1975 to our increasingly ambitious set of 2025 Sustainability Goals, which are designed to improve the footprint of our own operations, help our customers meet their own sustainability goals, and drive action on global environmental and social issues.

As a global corporation, contributing to society through diverse markets, we believe that we have a significant responsibility to advance the United Nations Sustainable Development Goals across the world. We are also a participant of the United Nations Global Compact, a policy initiative for businesses to demonstrate their commitment to 10 principles in the areas of human rights, labor, environment, and anti-corruption. We align this report to the guidelines of the Sustainability Accounting Standards Board (SASB) and the Task Force for Climate-related Financial Disclosures (TCFD) recommendations for helping businesses disclose climate-related financial information. Together with our ambition of improving every life and our strong set of 3M values, these commitments drive and inform our formalized approach to sustainability — the 3M Strategic Sustainability Framework — directing our efforts to areas where we can make the greatest impact: Science for Circular, Science for Climate, and Science for Community.

In 2020, we also took significant actions to transform and build 3M for the future, while advancing our core values. Examples include introducing platforms for change to address racial opportunity gaps, empowering an inclusive culture, and supporting our communities with a

plan to invest

$50M

to advance workforce development and STEM education initiatives.

We also have a robust governance framework that guides our sustainability activities with primary Board-level oversight by our Science, Technology & Sustainability Committee, established in late 2019.

Group	Function
Board of Directors	Receives regular sustainability updates at Board meetings. Reviews sustainability-related risks as part of 3M's enterprise risk program.
Science, Technology & Sustainability Committee of the Board of Directors	Provides primary oversight of 3M's sustainability and stewardship activities. Reviews 3M's sustainability policies and program to identify and analyze significant sustainability, materials vulnerability, and geopolitical issues that may impact 3M's overall business strategy, global business continuity, and financial results.
Innovation Steering Committee	Provides leadership, oversight, and strategy to encourage and ensure sustainability opportunities are recognized. Develops and monitors adherence with strong sustainability-related policies and procedures. Includes 3M's CEO, CTO, and SVP Environmental Responsibility, General Counsel, SVP Corporate Affairs, and EVP Consumer Business Group.
Chief Sustainability Officer	Leads 3M's sustainability activities. Reports to the Science, Technology & Sustainability Committee of the Board of Directors, the Innovation Steering Committee, and other internal and external groups.
Sustainability leaders in business, areas, and enterprise-wide	Drives Strategic Sustainability Framework priorities and initiatives consistent with the scope of their role. Leads customer relationships to solve shared global challenges.

Through engagement with our Board of Directors, executive leadership team, and business units, our work across 3M's Strategic Sustainability Framework is advancing progress toward our Sustainability Goals.

Additional information can be found in our **2021 Proxy Statement**, Commitment to Sustainability.

Governance links

For more information on corporate governance at 3M, see:

- **Corporate Officers**
- **Board of Directors**
- **Committee Composition**
- **Governance Documents**
- **Annual Reports & Proxy Statements**

Looking forward

We regularly post governance news, events, and presentation information in the Investor Relations section of our website. See **3M Events & presentations**.

Our work across 3M's Strategic Sustainability Framework is advancing progress toward our Sustainability Goals.

Enterprise risk

Understanding, assessing, and planning for risk

Our commitment

The concept of risk appetite and tolerance is an essential component of our strategic planning, and it's the responsibility of our senior business leaders to plan accordingly.

We firmly believe that good corporate governance practices serve the long-term interests of our stockholders, strengthen 3M's Board of Directors and management, and further enhance the public trust 3M has earned from more than a century of operating with unwavering integrity and doing business the right way. Governance includes broad risk oversight by the Board and its committees. Risk analysis is reported to the full Board by both the general auditor and the chief ethics & compliance officer. The general auditor and the chief ethics & compliance officer are vice president positions appointed by, and reporting to, the Audit Committee of the Board.

Risk oversight

The Board has delegated primary responsibility for the oversight of risks facing the company to the Audit Committee of the Board of Directors. The **Audit Committee Charter** states that the committee will "discuss policies and procedures with respect to risk assessment and risk management, the company's major risk exposures, and the steps management has taken to monitor and mitigate such exposures."

The vice president and general auditor, Corporate Auditing, whose appointment and performance is reviewed and evaluated by the Audit Committee, is responsible for leading the formal risk assessment and management process within the company. The general auditor, consulting with the company's senior management, annually assesses the major risks facing the company and works with those executives responsible for managing each specific risk. The general auditor periodically reviews with the Audit Committee the major risks facing the company and the steps management has taken to monitor and mitigate those risks.

While the Board's oversight of risk is primarily performed by the Audit Committee, the Board has also delegated to other **committees** the oversight of risks within their areas of responsibility and expertise. We believe this governance of risks by Board committees, who share information with the full Board, is appropriate for a diversified technology and manufacturing company like 3M. **3M's Annual Report on Form 10-K, Item 1A** outlines risk factors applicable to the company. In addition, **3M's Proxy Statement** provides details on Board oversight committees and members.

Our actions

Corporate-level

3M's Enterprise Risk Management (ERM) initiative, launched in 2001, has helped assure adequate recognition and ownership of the most significant potential risks to the company's shareholder value, using a process that proactively identifies and communicates enterprise risks within the company. This includes confirming that appropriate plans and oversight exist for all major risks, providing for ongoing review and assessment of risk, and aiding in generating awareness and engagement of general risk matters throughout the company. The approach provides a customized capability that leverages 3M's comprehensive, experience-based global knowledge and capabilities while also considering tools often used in financial or insurance-oriented businesses.

In 2020, we moved quickly to reassess our risks in light of the COVID-19 pandemic.

To assure long-term success, we are committed to discovering and preparing for all potential threats to our **Vision**. Risk owners familiar with the environmental, economic, and business aspects within the company are interviewed and requested to complete a thorough assessment for their respective risk(s). Together with subject-matter experts and senior management, the outcomes are mapped to demonstrate the relative level of risk and likelihood of risk. This "heat map" identifies the highest-risk areas and shows where to focus our internal efforts. In addition, external resources and data are continually reviewed to assist in the risk identification process. The results of our various risk assessment exercises are shared with the Corporate Operating Committee and the company's full Board of Directors.

Shifting focus in light of the COVID-19 pandemic

3M places particular emphasis on protecting our company against emerging risks in an ever-changing world. In 2020, we moved quickly to reassess our risks in light of the COVID-19 pandemic. In response to the pandemic, we identified new risks and increased our focus on certain existing risks.

Our top priorities in response to the COVID-19 pandemic have been keeping our people and communities safe, supporting the fight against the pandemic, and assuring business continuity. In response to our top priority to keep our people and communities safe, we added a new enterprise risk highly focused on employee health and safety.
To help support the fight against the pandemic, we increased our focus on third-party risk. And to assure business continuity, we increased our focus on several risks, including material vulnerability.

Board members and general auditor meet 1:1

In 2020, the vice president and general auditor met with each independent 3M Board member to discuss risk management in general, as well as specific risk-related topics facing the company. These meetings gave Board members an opportunity to share what risk issues were top of mind for them and which should be reviewed and addressed by the Board.

Business group planning

3M serves our customers through our four business groups. Annually, leadership from each business group presents to the Board, and the Board discusses and approves detailed long-term strategic plans for the company. Each presentation includes the following: an overview of the business group, short- and long-term financial performance and goals, an assessment of portfolio growth opportunities, and strategic priorities to drive our **Value Model**.

We have a business resilience plan for each manufacturing site and distribution center.

Site-level planning

Our Environmental, Health, and Safety (EHS) management system looks carefully at each 3M site and new acquisition and performs a risk assessment that considers factors such as potential impact to the environment, the community, and 3M employees. Each site is ultimately ranked based on the risk it poses to the company, and necessary steps are taken to minimize potential risks. We also place particular focus on bringing acquisitions into alignment with 3M's protocols, standards, and training.

In addition to conducting environmental, health, safety, and security risk analysis, we have a business resilience plan for each manufacturing site and distribution center. Although we hope to never use them, it's critically important they are in place, current, and that employees understand what to do should an emergency occur. All plans are prepared in accordance with good engineering practices, full approval of management, and regular audits or assessments. Scenario exercises are conducted periodically at sites to evaluate the effectiveness of the plans.

Looking forward

3M will continue to advance our processes to identify and mitigate enterprise risk in our ever-changing environment by engaging all levels of leadership. Our priority is the comprehensive management of enterprise risks through an ethical tone, governance processes, and clear roles, responsibilities, and accountability.

Our priority is the comprehensive management of enterprise risks.

Corporate Code of Conduct

Keeping ethics and compliance front and center

Our commitment

The Code of Conduct is part of 3M's Value Model and positions 3M for long-term growth. Our Values bind us together as 3M employees — across business groups and across geographies.

Great companies are built on trust — from their customers, shareholders, employees, and communities. We've earned that trust and a reputation for integrity over many decades, and no one at 3M is free to compromise it.

We have one Code of Conduct that applies to our

96.1K

employees in over 70 countries globally.

Our Code of Conduct summarizes 3M's compliance principles and raises awareness about how to do business the right way, at all times and at every site. The Code of Conduct is our guide, answering questions and providing direction when the right choice may not be clear.

3M's Code of Conduct defines the expectations for how we work:

- **Be Good**
- **Be Honest**
- **Be Fair**
- **Be Loyal**
- **Be Accurate**
- **Be Respectful**

3M employees, including all supervisors, managers, and other leaders, are responsible for knowing and following the ethical, legal, and policy requirements that apply to their jobs and for reporting any suspected violations of law or the Code of Conduct. Leaders are accountable for creating an inclusive workplace environment that encourages asking questions and raising concerns.

The Code of Conduct is available in 25 languages and sets clear expectations not only for employees but also for relevant stakeholders and business partners. All new employees receive a copy of the Code of Conduct.

The Code of Conduct is our guide, answering questions and providing direction when the right choice may not be clear.

Business Conduct Committee

The 3M Business Conduct Committee is comprised of several senior executives and is chaired by 3M's vice president and chief ethics & compliance officer. This committee oversees 3M's compliance efforts to assure that 3M has an effective and world-class compliance program — one that is agile and anticipates changes in the external landscape and internal business strategy. The Business Conduct Committee annually, or as needed, updates the **Audit Committee** of the 3M Board of Directors and 3M's executive-level Corporate Operating Committee. Additionally, similar committees exist at country, regional, and area levels to operationalize and prioritize compliance activities.

Global compliance program

3M's global compliance program is managed and administered by the Ethics & Compliance Department, led by the vice president and chief ethics & compliance officer. The department is staffed with compliance professionals stationed around the world. The vice president and chief ethics & compliance officer reports directly to the Audit Committee of the 3M Board of Directors. The Audit Committee assists the Board in overseeing 3M's legal and regulatory compliance efforts. This direct reporting line assures the independence of the Ethics & Compliance Department, which is responsible for overseeing and administering strategic, systemic, and operational components of 3M's compliance program.

The compliance program is designed to meet the U.S. Federal Sentencing Guidelines and, as designed, meets similar global standards and requirements of other countries' anti-bribery laws. The program consists of:

- A core set of business conduct principles
- Education and training
- Periodic evaluations, audits, risk assessment, and procedures to measure and assess the compliance program's effectiveness
- A 24-hour global helpline and website through which employees, customers, vendors, and other external parties can report concerns and ask questions (anonymously in most countries)
- Risk-based due diligence on business partners, potential acquisitions, equity investments, and candidates for hiring and promoting
- Investigation expertise
- Incentives and discipline to address compliance successes and failures

Compliance training and education

3M offers a comprehensive online compliance training program to employees worldwide. The program's training modules are assigned to employees based on their role and area of responsibility within the company. Most courses are mandatory for approximately 50,000 global employees. An annual training plan is established each year based on an assessment of internal and external factors to prioritize topics and timing of deployment.

Online courses are offered in

22

languages

Examples of recent training modules include:

- Data Privacy and Protection
- Confidential Information and Computer Security
- Gifts, Entertainment, and Travel
- Avoiding Bribery and Corruption: A Global Overview
- Understanding Global Competition
- Preventing Workplace Harassment
- 3M Code of Conduct and Ethical Decision-Making
- Identifying and Navigating Conflicts of Interest

The Ethics & Compliance website on 3M's intranet offers additional on-demand online training courses. In addition to offering online training, the Ethics & Compliance Department — in close collaboration with 3M Legal Affairs, local compliance partners, finance, and human resources — provides frequent, tailored, in-person training to businesses, subsidiaries, staff groups, and third parties. Some of this training occurs as part of an annual schedule, while other training occurs as requested or when deemed appropriate.

Reporting concerns: "Speak Up"

Upholding 3M's Code of Conduct and values is the responsibility of everyone acting on 3M's behalf. We encourage our employees to ask questions or report concerns to management, 3M's Ethics & Compliance Department, 3M legal counsel, **3MEthics.com**, their assigned human resources manager, 3M Corporate Audit Department, or the Audit Committee of the Board of Directors. Our strong ethical culture requires and empowers employees to make the right choices every day. 3M makes it clear that speaking up is the right thing to do. We know our employees care about the company and want to do the right thing. On a quarterly basis, the Ethics & Compliance Department recognizes 3M employees around the globe who have gone above and beyond to bring the 3M Code of Conduct and our values to life in the work they do and the decisions they make. Recipients of the Living the Code Award receive a letter from our vice president and chief ethics & compliance officer, along with an engraved crystal glass globe.

3MEthics.com is a 24-hour confidential and anonymous (where permitted by local law) helpline and online reporting system. It is managed by a third-party vendor and is available to 3M employees and others internally and externally. The system does not trace phone calls or use caller identification, nor does it generate or maintain internal connection logs containing internet protocol (IP) addresses. Web-based reports are made through a secure internet portal that does not trace or show user screen names.

The Ethics & Compliance Department has the responsibility to review every business conduct concern that is reported. After review, the department determines which reports require an investigation. If an investigation is needed, an appropriate investigation resource is assigned. For concerns that are substantiated, disciplinary actions may be taken. Discipline comes in a range of forms consistent with similar past violations, from warnings to suspensions to termination. Disciplinary actions may impact one or more persons associated with a single substantiated violation. The 3M global allegations and disciplinary action graph illustrates business conduct-related reports raised in 2018, 2019, and 2020, using **3MEthics.com**.

The Ethics & Compliance Department maintains the investigation case management system and reports metrics from a broad range of 3M functions that conduct investigations. This provides a more complete view of the frequency and type of concerns reported globally and better reflects the healthy "Speak Up" culture that exists within 3M. This data is used to prioritize resources and focus strategies.

3M encourages all employees to speak up to raise a concern or suspected violation of the Code of Conduct. The "Speak Up" poster that encompasses many of our most frequently used languages continues to be widely used globally.

3M global allegations and disciplinary actions

Total number[1]

[1]*Data in the present chart may differ from previous reports as case management progresses.*

3M's non-retaliation process

3M prohibits retaliation against anyone who raises a business conduct concern in good faith or cooperates in a company investigation. To monitor this risk, a compliance investigator contacts the reporter several times after an investigation closes to discuss if the person has experienced any form of retaliation. This is done either by phone or via email for non-anonymous reporters. For anonymous reporters who used **3MEthics.com** to raise a concern, the follow-up is handled through **3MEthics.com** to maintain anonymity. If the reporter expresses concern that they are being retaliated against, the investigations team will initiate a separate investigation or take other action to assure the concerned party is protected. 3M takes a strong position against retaliation, which is reflected in the Non-Retaliation Policy and within **3M's Employee Obligations and Reporting Principle**.

Assessments

3M's Ethics & Compliance Department conducts periodic compliance and anti-bribery evaluations in various 3M subsidiaries and operating units each year. An evaluation includes a review of financial transactions, compliance records, interviews with representatives from a cross-section of employees of the entity being evaluated, and reviews of selected business partners.

The team aims to interview at least 10% of non-production employees. Subsidiaries and operating units are selected for an evaluation using objective and subjective risk factors. Our evaluation planning and site selection process leverages data to prioritize countries and operations for future review. A "local evaluation" process is used to address site-specific risk with more agility and speed.

Local evaluations provide a more focused scope than our standard deep-dive evaluation and can be organized and completed with fewer resources in less time while continuing to meet the requirements of the Ethics & Compliance Department. Our evaluation process continues to evolve. In 2020, the assessment of compliance culture was further enhanced with focus on "tone in the middle" as well as "tone at the top." Middle managers and supervisors are critical in setting the tone for their teams. Evaluation interviews delve into understanding this and identifying opportunities for improvement.

Not only do reviews, evaluations, and risk assessments help detect opportunities for improvement and gaps in processes or procedures, they also reinforce the importance of operating in an ethical, compliant manner.

Commitment to anti-corruption

As a participant in the United Nations Global Compact (UNGC), 3M is committed to supporting Principle 10 on Anti-Corruption. Our commitment and involvement with the UNGC and our community of peer companies provides us with the opportunity to collaborate and share best practices related to work against corruption in all its forms. Additionally, the compliance professionals on our team regularly participate, present, and are members of organizations and associations working to improve compliance controls and reduce legal risk.

"Our commitment to unwavering integrity in all that we do is clear and stems from the top of our organization."

Michael Duran
3M Vice President and Chief Ethics & Compliance Officer

3M's Code of Conduct requires compliance with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, Brazil's Clean Company Act, and local laws where 3M operates. It applies to 3M employees as well as to our business partners. In addition, **3M's Anti-Bribery Principle** and anti-bribery policies and procedures have been communicated to all employees. Our Avoiding Bribery and Corruption training is required of most non-production employees, specifically employees in higher-risk roles, including those in legal, audit, sales, marketing, export, and global trading. The vice president and chief ethics & compliance officer provides quarterly updates on compliance activities to the Audit Committee of the Board of Directors and the 3M Business Conduct Committee.

3M's commitment to anti-corruption is also reflected in our management of third-party intermediaries and other business partners. 3M conducts due-diligence reviews of our third parties based on an assessment of risk factors, including transaction size, type of relationship, government interactions, and geography. Depending on the outcome of the review, we respond to any identified risks with specific actions, such as training, the inclusion of relevant contractual terms, and other risk-mitigating controls. 3M may end a relationship with a business partner if the risk presented is determined to be too high and cannot be appropriately mitigated.

Further, the Ethics & Compliance Department collaborates with 3M Legal Affairs on due-diligence processes related to potential equity investments and mergers and acquisitions. These processes help identify risks in the target company before an acquisition or investment is initiated and accelerate our efforts to integrate an acquired company's employees into 3M's compliance program and culture. Ultimately, the Ethics & Compliance Department is charged with conducting a risk review and implementing any necessary remediation activities upon the closing of every acquisition.

Raising third-party awareness of 3M ethics and compliance expectations

To enhance our communications with and expectations of third parties, 3M has an online training course and a brochure for our business partners, available in 30 languages. The **brochure** provides another way for 3M to communicate with our business partners regarding our commitment to combat global bribery.

Michael Duran, 3M vice president and chief ethics & compliance officer, says, "Our commitment to unwavering integrity in all that we do is clear and stems from the top of our organization. It has been the foundation of the company for more than a century. At 3M, we know there is only one way to do business — the right way. I am proud to work for a company that puts ethics and compliance at the forefront of everything we do."

Our actions

Global Ethics & Compliance Week

For the first time, we held a global, virtual Ethics & Compliance Week from October 12-16, 2020. This year's theme was "Your Roadmap to the Right Way" and focused on making the right and ethical decisions in the workplace.

On October 13, we held a global, virtual live event, with presenters and participants from 3M operations worldwide. The event featured a compilation of self-filmed videos by 3M employees from around the globe sharing their personal thoughts on what ethics and compliance means to them. 3M CEO Mike Roman provided a message about navigating ethics at 3M. Dave Dillon, 3M Board member and retired chairman of the board and CEO of The Kroger Co., joined the event and shared his experience and perspective on the importance of ethics and compliance. Following these messages, the event showcased global senior leaders discussing their own key learnings on ethics and compliance throughout their careers.

This virtual platform provided an opportunity to reach over

10K

participants,

which is 10 times greater than any single previous in-person Ethics & Compliance Week event.

During the week, dedicated messages were shared to build on what was learned during the virtual event, including communications on Living the Code, Speak Up, pressure, organizational justice and fairness, and conflicts of interest. The global event was followed by area events in Latin America; Asia Pacific; and Europe, Middle East, and Africa.

A post-event survey confirmed that employees appreciated the global nature of the event and the leadership stories. More than 80% of the respondents said they were more confident to speak up after the event.

Communications to support our employees and supervisors

In 2020, 3M Ethics & Compliance further enhanced our internal communications by leveraging an internal social networking platform to share compliance-related information and drive real-time conversations with global employees.

We recognize the power of storytelling to inspire and influence ethical behavior. We continued our video series called "My Moment of Truth," which shares the personal stories of 3M employees who had the courage to speak up and do the right thing. The series was intentionally unpolished and showed real employees in their workspaces, filmed on cell phones or other readily available video equipment. The participants included employees from all over the world and were subtitled in eight languages, including English.

Because the most frequent resource employees go to with ethical or compliance questions is their manager, the Ethics & Compliance Department publishes a series of supervisor toolkits. These toolkits, available in 12 languages, contain reference materials and case studies to help supervisors effectively address employee questions and respond appropriately when dealing with potential violations of the law or the 3M Code of Conduct. This year, the supervisor toolkits covered the following topics: conflicts of interest, 3M information and computer security, and respectful workplace.

We have also had great success with our leadership video series, where executives share their stories of how they have handled ethical situations in the past or their thoughts on doing the right thing at 3M. These videos are translated with subtitles and have been popular throughout the year.

"I feel very proud to work in one of the most ethical companies in the world."

Global Ethics & Compliance Week participant

Data analysis and metrics

The Ethics & Compliance Department continued to make strides in data science. Data modeling was used to further refine risk assessment processes related to compliance evaluations and business partners. The cycle time to create our compliance reporting metrics continued to improve, and reports were automated for delivering timely metrics to internal stakeholders across the company. In addition to report automation, we explored the area of predictive data analytics so that our program can respond proactively to trends observed by analyzing available data and then provide areas of global and/or local focus as needed.

In alignment with **3M's new global operating model**, we leveraged a business analytics tool to quickly adapt our compliance reports to accommodate the new reporting structures.

This year, we again implemented an ethical culture survey for 3M sales professionals. Through analyzing the survey results, we were able to correlate the frequency of discussion that a manager has with their employees about ethics and compliance with other measures, including the willingness of employees to speak up as well employees' perceptions of leaders as ethical role models. In addition, we found that in some specific geographies, employees felt increased pressure to achieve business results, as well as a general lack of understanding of our investigation process and efforts to assure organizational justice. Based on the survey findings, we launched an extensive communications campaign to address these concerns to both managers and employees throughout the year.

In 2020, our online adaptive learning training platform has continued to be well-received by employees.

Training enhancements

In 2020, our online adaptive learning training platform has continued to be well-received by employees. Leveraging data from our training platform, Ethics & Compliance is able to identify additional training needs through data analysis. To drive improved on-time online training course completions, we continue to leverage a pop-up notification that reminds a user each time they open certain desktop applications of their need to complete course assignments.

Recognizing that people have different learning styles, Ethics & Compliance identified and launched two new video series to engage learners with fresh content. The videos became available at the end of 2020 and will continue into 2021.

Acquisition integration

Over the course of 2020, leveraging novel tracking tools and cross-team, cross-geography work groups, we successfully integrated 3M's largest acquisition into our ethics and compliance platforms, processes, and culture. Through this work, the Ethics & Compliance Department established a close partnership with 3M's Health Care Compliance Team whose global health care compliance leader has a dotted line reporting to the vice president and chief ethics & compliance officer to assure alignment and to enhance work efficiencies between the two groups.

Organizational enhancement

The Ethics & Compliance Department continues to leverage and strengthen our global ethics and compliance network. In December 2020, a series of enhancements were announced, including standardization of the roles and titles of people who support the network, clarification on the time spent in these roles, and creation of a consistent model framework with reporting lines for all geographies. These improvements were driven through a collaborative project between the 3M Corporate Affairs organization and the Ethics & Compliance Department to assure the design aligns with 3M core strategies. This enhancement resulted in a number of employees moving to the Ethics & Compliance Department given their scope of work and responsibilities. This realignment assures that there are resources in our geographies with a dedicated compliance mindset.

Adaptations to our ethics and compliance program based on the COVID-19 global pandemic

In response to the COVID-19 crisis, the Ethics & Compliance Department made adaptations to our program to accommodate the challenges of the year while still meeting compliance requirements.

- In March 2020, Ethics & Compliance Department employees transitioned to a virtual work environment, including the shift of our ethics and compliance investigation and evaluation processes to a remote model, leveraging technology to gather information that would have been previously sought in-person.
- We adjusted our training schedule by allowing employees to complete scheduled courses earlier than its scheduled deployment and expanded the time to complete courses from four weeks to six weeks.
- In collaboration with other corporate functions, we leveraged ethics and compliance platforms to address risks associated with the current environment, including communication on insider trading, and separate compliance attestations for employees' return to the workplace and for those in business with increased pressure and corruption risks.

Despite the challenging remote work environment, our operations continued to remain strong and effective.

We reached

100%

completion

of our annual code certification in the quickest time in our history.

We successfully evolved our in-person training to a virtual environment, reaching approximately

25K

employees.

We had the highest ever on time completion rate for our online compliance courses. We saw a significant increase in calls to our hotline, with much of the increase related to the COVID-19 crisis. We communicated to executives this increase, as well as our strategy, so they were better able to understand the complexity of the issues being reported.

Looking forward

In 2021, ethics and compliance will remain at the core of what we do for our employees, customers, communities, and shareholders.

Data analysis will remain a focus to drive efficiencies and prioritize our actions with more agility. We will continue to empower global leadership to take ownership of key performance indicators by providing access to tools and metrics.

The Ethics & Compliance Department will continue the evolution of our compliance partner networks to drive a culture of compliance, speaking up, and doing business the right way. Additionally, we will continue our collaboration and coordination with the 3M Health Care Compliance Team.

The Ethics & Compliance Department will optimize opportunities to continually improve our program and platforms, engaging with employees through new and different modalities. We will continue to equip employees with guidance, information, and tools to do business the right way and manage third-party risk through integrated user-friendly platforms.

Human rights

We do business one way: the right way

Our commitment

Our **Human Rights Policy** applies to all 3M employees, contingent workers, candidates for hire at 3M, anyone doing business with or on our behalf, and others acting on 3M's behalf.

In 2014, we became a United Nations Global Compact (UNGC) participant, committing to align our operations and strategies with the UNGC principles on business and human rights. We support its "protect, respect, and remedy" framework and its principles of due diligence. Furthermore, the 3M Code of Conduct and its underlying principles require compliance with all applicable laws and also require respect for internationally recognized human rights in all global operations.

We also recognize the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Adopted in 1998, the declaration commits member states to respect and promote principles and rights in four categories, whether or not they have ratified the relevant conventions: freedom of association and elimination of discrimination in employment and occupation, the right to collective bargaining, the elimination of forced or compulsory labor, and the abolition of child labor.

Respect for human rights is deeply engrained in our culture.

Guided by deeply engrained principles in our culture

Respect for human rights is deeply engrained in our culture. Within our own business, 3M's approach to managing and assuring human rights is derived from the **3M Code of Conduct**, which recognizes the right of 3M workers to have a respectful workplace. We continue to implement our human rights program through our global policies, management system, assessments, audits, training, and, ultimately, our metrics tracking. Our audit process provides us with a global perspective over all of our sites and our supply chain.

Human rights elements brought to life

Our commitment to upholding human and workplace rights is embodied in the 3M Human Resource (HR) Principles, which respect the dignity and worth of all individuals, encourage the initiative of each employee, challenge individual capabilities, and provide equal opportunity for development.

A respectful workplace

Our **Code of Conduct** lays out what it means to be a 3M employee and includes the 3M Respectful Workplace Principle:

Be Respectful: Respect one another and our social and physical environment around the world. We strive to have a work environment where people treat each other with respect and conduct business activities in a manner that protects health, safety, and the environment.

3M's **Respectful Workplace Principle** states that "everyone is entitled to respectful treatment in the 3M workplace. Being respectful means being treated honestly and professionally, with each person's unique talents, background, and perspectives valued. A respectful workplace is free from unlawful discrimination and harassment, but it involves more than compliance with the law. It is a work environment that is free of inappropriate or unprofessional behavior and consistent with 3M's ethics and values — a place where everyone can do their best, and where people are free to report workplace concerns without fear of retaliation or reprisal."

Working hours and living wages

3M complies with minimum wage legislation globally, and we endeavor to exceed the legal minimum wage. Our competitive compensation reflects our practice of establishing competitive salary ranges based on actual pay data from benchmark peer companies in manufacturing. 3M also complies with all applicable laws relating to overtime, breaks, and other wage-and-hour requirements. Additional information can be found in the **Compensation** section.

Freedom of association and the right to collective bargaining

3M works diligently to create a culture that affords all employees the opportunity to work without fear of intimidation, reprisal, or harassment, in an environment where employees can have their questions and concerns addressed in a fair and timely manner. At all sites, assuring a strong relationship with employees is a key responsibility of all company leaders and is supported by human resources representatives. Human resources professionals work with employees to maintain positive employee relations.

Our Human Rights Policy has a specific subdivision on the freedom of association, which assures that we respect "the ability of employees to choose whether or not to join unions and engage in collective bargaining, as permitted by applicable laws in the countries where 3M does business." In the event of business operations changes, we follow all applicable local laws and regulations regarding consultation and notice periods for both represented and non-represented employees.

Approximately

25%

of 3M's employees are either represented by a collective labor organization or covered by a labor agreement.

We are aware that, in some countries, collective bargaining rights are not protected or recognized. Nevertheless, 3M assures employees that freedom of association and collective bargaining aspects of our Human Rights Policy apply to all 3M employees worldwide.

Modern slavery

Modern slavery, as an umbrella term, encompasses several human rights issues, including forced labor, bonded labor, child labor, human trafficking, and slavery-like practices. We have a robust stance against these practices as set out in our **Modern Slavery Statement**; labor, employment, and business conduct policies; and the 3M **Supplier Responsibility Code**. These policies reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing effective systems and controls, so this practice does not take place within our organization and supply chains.

Child labor and minimum hiring age

3M is committed to doing our part to help abolish child labor. This commitment is evident in our **Human Rights Policy** and **Modern Slavery Statement**. Although the permissible hiring age for employees may vary based on the laws of different countries, 3M has adopted global expectations regarding the hiring of minors. Even if local law permits it, 3M will not hire any employee nor engage a contingent worker (an individual provided by a third-party staffing agency to perform temporary work) below the age of 16 for any job. If the applicable laws impose a higher minimum age requirement than 16, 3M follows the stricter standard in compliance with the law. See our **Supplier Responsibility Code** for details on supplier requirements.

Forced and compulsory labor

3M complies with all applicable laws and employment regulations and does not engage or participate in forced labor. We have those same expectations for all suppliers doing business with us. This commitment is evident in our **Human Rights Policy**, **Modern Slavery Statement**, and **Supplier Responsibility Code**.

Our approach to human trafficking is very simple: We do not tolerate it.

Human trafficking

Our approach to human trafficking is very simple: We do not tolerate it.

Our Human Rights Policy details our prohibition of human trafficking. We are committed to using effective systems and controls to prevent human trafficking from taking place anywhere within our business or supply chains.

These prohibitions apply to 3M and its subsidiaries as well as to our federal contracts and subcontracts for either commercial or non-commercial items.

Our Supplier Responsibility Code details expectations regarding labor and human resource practices for all of our suppliers worldwide. 3M suppliers must comply with all local country labor and human resource laws; cannot use labor that is obtained through mental or physical coercion, physical punishment, slavery, or other oppressive labor conditions; and cannot engage in any form of human trafficking. Additional information can be found in the **Suppliers** section.

Security personnel training and procedures

With the alarming rise in corporate security breaches worldwide, our internal Human Resource Security Standard provides the controls required to achieve human resource security based on industry standards and best practices.

Roles and responsibilities of information security employees, contingent workers, and suppliers must be defined and documented in accordance with the 3M Information Security Management System (ISMS). Improved in 2020, background checks for all suppliers, contingent workers, and candidates for employment must be carried out in accordance with relevant laws, regulations, and ethics, and must be appropriate for the business requirements, classification of the information to be accessed, and the perceived risks. Contingent workers and suppliers in the United States are required to review and acknowledge 3M's Systems Access Control Standard and other 3M policies and standards.

Management requires employees, contingent workers, and suppliers to apply security practices in accordance with established policies and procedures. All 3M employees and, where relevant, contingent workers and suppliers, must receive appropriate awareness training and regular updates on organizational policies and procedures, as relevant for their job function.

For more information on workplace security see the **Environmental, health, and safety section**.

Raising, addressing, and resolving workplace concerns

When concerns related to human rights, labor practices, environmental, or safety issues arise, our employees and people who interact with 3M are encouraged to raise questions or report misconduct or potential misconduct and can do so anonymously if they wish.

Employees also receive training on the following mechanisms for reporting and resolving concerns:

- Employee's management
- 3M Human Resources
- 3M Legal Affairs
- 3M Ethics & Compliance Department
- **3MEthics.com** (option for anonymity)
- 3M Global Security Operations Center
- 3M Corporate Audit Department

In our view, human rights due diligence requires a holistic approach.

See **3M's Ethics & Compliance website** for more information regarding how to report a concern. Additional information can be found in the **Corporate Code of Conduct** section.

3M prohibits retaliation against anyone who, in good faith, asks a question, reports a concern, or participates in a company investigation. This position is reflected in the Non-Retaliation Policy and within **3M's Employee Obligations and Reporting Principle**.

In addition, we conduct audits of site, workplace, and human resource practices, and we conduct assessments and audits of suppliers to assure compliance with 3M's expectations related to labor practices. See the **Suppliers** section for more details.

Our actions

Strong support for human rights charters

3M continues to support several human rights charters. Among them:

- United Nations Global Compact
- Universal Declaration of Human Rights
- European Convention on Human Rights
- United Nations Guiding Principles on Business and Human Rights
- International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- Organisation for Economic Co-operation and Development (OECD) — Guidelines for Multinational Enterprises, including OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Agenda 21 — United Nations Convention against Corruption

Holistic approach to human rights due diligence

The 3M Code of Conduct is part of the 3M Value Model and positions 3M for long-term growth. Our Code of Conduct summarizes the guidance provided in 3M's principles, policies, standards, and procedures, which govern how we do business everywhere, every day. By living our Code, we create an inclusive workplace where each employee contributes to 3M's vision. Our success depends on our unwavering integrity. These global corporate expectations apply to all 3M employees and third parties who act on 3M's behalf.

In our view, human rights due diligence requires a holistic approach. We assess our own business as well as those who are acting on our behalf — in supply roles, government relationships, acquisitions, mergers, and divestitures — to identify the salient human rights issues applicable to our business. We have a grievance mechanism in place, **3MEthics.com**, which can be used to raise a concern regarding any adverse human rights impacts. We also comply with all applicable laws and honor the principles of internationally recognized human rights when faced with conflicting requirements.

Assessing human rights

Our assessment of human rights aligns with our corporate Human Rights Policy, as outlined under our commitment above, and includes a review of the following points: safe and healthy workplace, respectful workplace, workplace security, work hours and wages, freedom of association, child labor, forced labor, human trafficking, or recruitment fees to obtain employment. Evaluations are integrated into other assessment and management processes and are based on material issues regardless of where they're identified within the value chain.

Based on this assessment process, we have determined that in our various spheres of influence (our own business and in others acting on 3M's behalf), the sphere with the greatest potential for human rights impact is within our supply chain.

Segment	Salient risk*	Action plan to address
3M employees	Nonconformance with the **3M Code of Conduct**	See **Corporate Code of Conduct** section for additional details on our actions
Others acting on 3M's behalf	Unsafe working conditions, mistreatment of workers	See **Workplace Environmental, Health, and Safety Principle**
Suppliers	Nonconformance with **3M Supplier Responsibility Code** expectations	See **Suppliers** section for details on our risk-based supplier assessment process
Government relations	Not adhering to all applicable laws, rules, and regulations	See **Lobbying and Political Activities Principle**, **Lobbying and Political Activities Governance**, and **Doing Business with Government Agencies and Contractors Principle** for more information
Acquisitions, mergers, and divestitures	Failing to recognize human rights issues during the acquisition, merger, or divestiture diligence processes	Prioritize and address human rights issues relative to risk and compliance; see **Human Rights Policy**, **Respectful Workplace Principle**, **EHS Acquisitions, Mergers, and Divestitures Standard**, and **Workplace Environmental, Health, and Safety Principle** for more information
Local communities	Inequitable opportunities to succeed in science, technology, engineering, and math (STEM); skilled trades occupations	Assess community partnerships to assure we are providing support to underrepresented populations, so they have equal opportunity for success in STEM and skilled trade employment areas; see the **Community** section for additional information
Customers	Failing to produce products that are safe for their intended uses; compliant with applicable environmental, health, and safety regulations, and 3M expectations	See **Product Safety, Quality, and Stewardship Principle** and **Innovation management** section for more information

**Risks as per human rights policy (safe and healthy workplace, respectful workplace, workplace security, work hours and wages, freedom of association, child labor, forced labor, human trafficking, or recruitment fees to obtain employment)*

Within our own business

Within 3M, our approach to managing and assuring human rights aligns with the 3M Code of Conduct, which recognizes the right of employees to have a respectful workplace.

As stated in the **Code of Conduct Global Handbook**, which is available in 25 languages, all 3M employees are held to the same high standards. If the Code of Conduct sets a higher standard than the law, we are expected to follow the Code of Conduct and do business the 3M Way. 3M's success depends on each of us doing the right thing. No matter our job title, we are all leaders when it comes to ethics and integrity, and we must meet these important commitments:

- Know and follow the guidance set forth in our Code of Conduct
- Foster a positive, inclusive work environment and a strong culture of ethics
- Complete compliance courses and certifications on time
- Report suspected violations of the law or our Code of Conduct unless prohibited to do so by local law
- Do not engage in workplace retaliation
- Report any known or suspected retaliation
- Cooperate with investigations

3M employees, including all supervisors, managers, and other leaders, are responsible for knowing and following the ethical, legal, and policy requirements that apply to their jobs and for reporting any suspected violations of law or the Code of Conduct. Executives and managers are accountable for creating an inclusive workplace environment that encourages asking questions and raising concerns.

For additional details on our employee processes, see the **Employee diversity, equity, and inclusion** and **Employee programs** sections.

Assuring human rights through training

We provide training globally to assure that all 3M employees comply with the law, 3M's Code of Conduct, supporting policies, standards, and procedures, including human rights.

In addition to offering online training, the Ethics & Compliance Department — in collaboration with 3M Legal Affairs, local compliance partners, finance, and human resources — provides frequent, tailored, in-person training opportunities to businesses, subsidiaries, staff groups, and third parties. Some of this training occurs as part of an annual schedule, and some training occurs as requested or when deemed appropriate.

Each manager and supervisor must assure that those who report to them complete mandatory compliance training and Code of Conduct certification as required in 3M's **Code of Conduct Global Handbook**. See the **Corporate Code of Conduct** section for more information.

Employees are assigned courses based on their job function, country location, production/non-production status, and supervisor/non-supervisor and management-level status. Email notifications are sent to the employee's or their supervisor's 3M email address informing them of their course requirements and their timeline for completion. New employee courses are due within 60 days of assignment.

If an employee does not have a 3M email address in the HR system, it is the responsibility of their supervisor (or designated trainer) to inform them of their course requirements. The email notifications include a course announcement and up to three reminders.

An annual training plan is established each year based on an assessment of internal and external factors to prioritize topics and timing of deployment. Online courses are offered in 22 languages.

Training for 3M employees on the Supplier Responsibility Code processes and tools includes a self-check exercise and final quiz to understand the effectiveness of the training. Training is available online and will be updated when there have been significant changes to the Supplier Responsibility Code, process, or tools.

Supplier Responsibility Code training and information for suppliers reside on the **3M Supplier Direct** website. Supplier Responsibility Code information is sent to suppliers prior to conducting an assessment to assure awareness of expectations — which are also addressed during supplier status review meetings.

Others acting on 3M's behalf

Upholding 3M's Code of Conduct and 3M Values is the responsibility of everyone acting on 3M's behalf. Multiple processes are in place to assure 3M's principles are being upheld by these parties. A good example is our approach to health and safety.

Under the **Workplace Environmental, Health, and Safety Principle**, 3M's Code of Conduct requires 3M employees to select and retain suppliers, contractors, or outsourced manufacturers and service providers who comply with all applicable laws and regulations and meet 3M's environmental, health, and safety values. In addition, at 3M sites, all visitors, suppliers, contingent workers, and contractors are held to the same safety and health requirements as 3M employees.

See the **Environmental, health, and safety management** section for additional information.

Our suppliers

At 3M, we recognize the choices we make for our material and service providers must also reflect our values. We want our suppliers to share our commitment to maintaining compliant, responsible, safe, and sustainable operations and practices. In addition to full compliance with all applicable labor and human resource laws, we expect our suppliers to be committed to upholding the human rights of workers and to treating them with dignity and respect as understood by the global community.

The power is in partnership.

This applies to all workers, including temporary, migrant, student, contingent, and direct employees. These expectations are laid out in the 3M Supplier Responsibility Code and support our Science for Circular goal to drive supply chain sustainability through targeted raw material traceability and supplier performance assurance.

For details on our risk-based supplier assessment process, see the **Suppliers** section.

Government relations

3M is committed to being a responsible company with unwavering integrity in all dealings with local, state/provincial, and national governments and with their prime contractors and subcontractors around the world.

Before entering into any government contract or any agreement related to a government customer, 3M employees must consult 3M's Government Contract Compliance Department or their assigned legal counsel.

Human trafficking and forced labor-related provisions are also included in 3M's government contract flow-down requirements for suppliers. In the United States, the government has adopted a regulation (Federal Acquisition Regulation 52.222-50) prohibiting human trafficking, including slavery, servitude, forced and compulsory labor, and coercion to induce a commercial sex act or to procure the same — all of which result in the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

3M has implemented processes to assure compliance with the U.S. Federal Acquisition Regulation, including a Human Trafficking Prevention Standard.

For more information, see the **Doing Business with Government Agencies and Contractors Principle**.

Acquisitions, mergers, and divestitures

3M regularly pursues the sale and purchase of business interests. For each business that may be acquired or divested, human rights issues are prioritized and addressed relative to risk and compliance during the acquisition integration or divestiture process.

Additional information can be found in the **EHS Acquisitions, Mergers, and Divestitures Standard**, and the **Environmental, health, and safety management** section.

Partnering with local communities

3M's core values include treating each other and our stakeholders with respect, and respecting our social and physical environment.

As part of 3M's Vision, we work to imagine a world where every life is improved. The power is in partnership. As a global corporation, we believe that we have a significant responsibility to society in general and, especially, to the communities in which we live and work.

In 2020, 3M introduced platforms for change to address racial opportunity gaps — empowering an inclusive culture and supporting our communities with a plan to invest $50 million to advance workforce development and STEM education initiatives. See the **Communities** and **Employee diversity, equity, and inclusion** sections for additional information.

We have created a robust, stakeholder-driven approach to sustainability materiality that includes human rights. Our materiality assessments and stakeholder engagements are vital components of our company's strategy and reporting. Details of our materiality assessment and stakeholder engagement can be found in the **3M Value Model** section.

Our customers

We are committed to commercializing and selling products that are safe for their intended uses; compliant with all applicable environmental, health, and safety (EHS) regulations and 3M expectations; and developed with a goal to continuously improve the EHS performance of products and corresponding manufacturing processes.

See **Product Safety, Quality, and Stewardship Principle** and **Innovation management** section for more information.

Looking forward

We are paying close attention to mandatory human rights reporting legislation that is pending globally. This includes legislation in the European Union as well as upcoming modern slavery legislation in Australia. We will continue to update our Modern Slavery Statement as new requirements are implemented.

In 2021 and beyond, we will pursue business opportunities that help our company grow while addressing societal issues. We will continue to collaborate with suppliers, customers, and communities by working together to help build a more resilient world, cutting across industries and interests to achieve a common goal. We have a unique opportunity to apply our passion and collaborative abilities to help the world prosper.

This includes collaborating to continuously improve our due-diligence management system to identify and address salient human rights issues within our sphere of influence, and to stay aligned with internationally accepted frameworks, such as the United Nations Guiding Principles. 3M will continue to take steps to address social justice within our communities and our organization.

For additional details around engaging our communities, see the **Communities** section.

In 2021 and beyond, we will pursue business opportunities that help our company grow while addressing societal issues.

Compensation

Equitable pay and benefits for everyone, everywhere

Our commitment

3M provides competitive, market-based pay and comprehensive benefits. In addition to a professional work environment that promotes innovation and rewards performance, 3M's total compensation for employees includes a variety of components that support sustainable employment and the ability to build a strong financial future.

Performance-based pay

3M is a pay-for-performance company. In addition to earning a base salary, eligible employees are compensated for their contributions to the company's growth, profitability, and other goals. This compensation falls into two categories: short-term cash incentives and long-term equity incentives in the form of annual restricted stock units (RSUs), stock options, stock appreciation rights (SARs), and/or performance-based awards.

As detailed in the 3M Board of Directors' **Compensation Committee Charter**, all incentive compensation and all aspects of executive compensation are reviewed regularly by the **Compensation Committee**, which is comprised solely of independent non-employee directors. The committee, along with its independent compensation consultant, assesses the design of and risks associated with incentive compensation, recommending changes when appropriate. Any recommendations related to compensation for 3M's CEO are subject to ratification by all of the independent members of the Board of Directors.

The Compensation Committee reviews stakeholder proposals relating to executive compensation matters and recommends to the Board the company's response to such proposals.

3M executives are also eligible to participate in deferred-compensation plans that enable them to save for retirement or for other reasons, and they receive certain other benefits, such as financial planning services. Approximately 100 executives were eligible for these benefits in 2020, including all of the named executive officers.

3M's **2021 Notice of Annual Meeting & Proxy Statement** provides additional details on the named executive officers' compensation.

3M provides competitive, market-based pay and comprehensive benefits.

Goals and elements of Board of Directors' compensation

The **Nominating and Governance Committee** annually reviews the status of the Board's compensation in relation to other large U.S. companies and is responsible for recommending to the Board changes in compensation for non-employee directors. In developing its recommendations, the committee is guided by the following goals:

- Compensation should fairly pay directors for work required in a company of 3M's size and scope.
- A significant portion of the total compensation should be paid in stock to align directors' interests with the long-term interests of stockholders.
- The structure of the compensation should be simple and transparent.

Annually, at the request of the Nominating and Governance Committee, Frederic W. Cook & Co., Inc. ("FW Cook") conducts a survey of director compensation at other large U.S. companies and provides expert advisory support to the committee on the compensation of non-employee directors.

Earning up to your true potential: performance, compensation, and culture

Employees have the opportunity to grow through challenging work and are rewarded for their efforts. As a pay-for-performance company, total compensation is impacted by our performance process, called Performance Everyday. Our approach to performance aligns an employee's development, individual goals, and efforts to advance 3M's culture with company business objectives and outcomes, creating a win-win situation for both the employee and 3M.

We maintain our focus on our global compensation principles to provide market-competitive, fair, and equitable pay.

Our culture provides a framework for performance and compensation, but more broadly exemplifies who we are when we are at our best.

At 3M, we look to embody these culture elements:

- **Customer at our core**
- **Innovating boldly**
- **Powered by inclusion**
- **Winning with agility**
- **Unwavering integrity**

Our "Unwavering integrity" element specifically calls for us to deepen our dedication to sustainability and to our global communities. Additional information on 3M's employee development and compensation can be found in the **Employee programs** section and on **3M.com**.

Our actions

Pay based on role, responsibilities, skills, and performance

We maintain our focus on our global compensation principles to provide market-competitive, fair, and equitable pay. We continue this journey to assure we appropriately benchmark compensation of our global sites and use consistent methods to analyze our compensation position against the market. Efforts continued in 2020 to standardize and simplify our methodology around market pricing, utilizing data sources from multiple vendors. As we move forward, we will continue to look for ways to manage this process in an increasingly efficient and consistent manner.

Science for Community goal

In 2021, 3M announced a new goal to maintain or achieve 100% pay equity globally.

Our global market pricing process assures market-competitive compensation for employees and drives consistency and transparency in compensation practices across regions. Using common job descriptions and grades throughout the world, this global process uses data from multiple surveys to benchmark pay levels and map job grades, which helps drive our principles for fair and equitable pay.

Delivering on our promise of fair and equitable pay

3M's industry-leading formula for compensation helps provide equitable pay for employees. We factor in performance accelerators based on the Performance Everyday process.

At 3M, the proportion of total rewards aligned with variable (incentive) pay increases with job grade and reflects the job grade's influence on both short- and long-term results. Eligibility for 3M's Annual Incentive Plan (AIP) and Long-Term Incentive Plan (LTIP) is based on job grade, considering both the job grade's ability to influence the period being measured and market competitiveness for these types of compensation. We have used the same annual salary adjustment process for nine years, designed to drive toward an equitable pay result. If an employee's pay is at the low end of their job grade range, it is increased to be higher in range.

The 3M Board of Directors' Compensation Committee periodically reviews and discusses with management matters relating to internal pay equity.

To continue driving toward pay equity, we conduct a supplemental analysis of average pay for males and females, and compare the two (i.e., a raw wage gap). We also compare, by country, pay for males and females in all jobs and job grades (e.g., comparing average pay for entry-level male accountants to average pay for entry-level female accountants) and assess any disparity. We do the same analysis in the U.S. for minorities aggregated as a group versus non-minorities.

3M has achieved pay equity within 90% of our global employee population, and we continue to make progress toward enterprise pay equity. An analysis of our largest countries — comparing national average raw pay gap data between men and women to 3M's compensation data — showed our raw pay differences are below external benchmarks. Fourteen of the 17 largest countries analyzed show an adjusted gender wage gap of 1% or less. We are pleased to share we have achieved 100% pay equity in the United States for women and for racial/ethnic groups and will continue our work to increase or maintain pay equity and transparency across the globe.

See our results and more in the **3M 2020 Global Diversity, Equity & Inclusion Report**.

Governance

In 2020, approximately 93% of the shareholder votes cast on our say-on-pay proposal approved the compensation of our Named Executive Officers as disclosed in 3M's 2021 Proxy Statement. When making future executive compensation decisions, the committee will consider the results of this year's say-on-pay proposal as well as feedback from our stockholders.

3M's clawback policy covers both cash and equity compensation for executives and addresses situations involving significant financial or reputational harm as well as risk management failures. The Board of Directors continues to monitor regulatory developments relating to recoupment of incentive-based compensation.

Additional information on **3M Total Rewards** can be found in the **Employee programs** section.

Looking forward

We will continue to navigate through the uncertainty caused by the global pandemic but expect to remain in overall good health as a company due to the diversity of our businesses. We will continue to pay employees competitively and review options that align incentive pay with business results, both financial and non-financial.

We will continue to adhere to our principles of competitive pay, equitable pay, transparency, and pay for performance and will continue to follow our established compensation principles.

We will continue to pay employees competitively.

Employee programs

Developing employees and building a meaningful culture

Our commitment

At 3M, we lead with culture. We want our employees to focus on making an impact on the world and feel empowered to bring innovation into their work.

We know that engaged employees are more satisfied with their work, tend to stay longer, and are more productive and committed. We foster and reinforce behaviors that support engagement on many levels, including networking, collaboration, diversity, and inclusion. We focus on the quality and the impact of professional development and career growth.

3M is the place to be for employees interested in career development. Our company touches nearly every industry in every geography globally. Working at 3M provides a range of development opportunities few other companies can offer. Our people can live in different countries, learn about different cultures, and develop a variety of skills across different industries.

It's possible for someone to go from a role in the lab, to marketing, to sales, to business development, and all the way up to the C-suite. 3M is so diverse that people can reinvent themselves and their careers all within one company — and can collaborate with other curious, creative minds wherever they go. For more information, see the **Employee diversity, equity, and inclusion** section.

Our actions

Our most valuable resource is our people, and we invest in their success. We offer a wide range of benefits and discounts designed to help them live their best lives. We also provide tools, opportunities, and support for people who want to grow their careers.

A learning-focused culture

Our 96,000 employees do work that matters, applying 3M Science in ways that make a positive impact on people's lives. In today's fast-moving business environment, it's more important than ever to anticipate and exceed the needs of our customers, shareholders, and employees. Creating a high-performance culture built on continual learning helps 3M achieve business growth for the company and professional growth for employees.

Investing in our people

The professional growth of our people is essential to the growth of our business. In 2020, we provided

25+

hours of training and development

for full-time equivalent (FTE) employees.

We leverage a 70-20-10 development model, which means that, over the course of a career,

70%

of learning is done on the job

20%

comes through other employees

10%

of meaningful development is reached through formal training.

Our learning orientation and philosophy focus on experiential learning and skill-building rather than classroom-style training. The number of training hours and the training cost per employee are not our leading indicators of human capital performance. Instead, when assessing our development programs, we focus on indicators that align employees' results to the company's success. Leadership and employee engagement, employee retention rates, brand recognition, acquisition integration milestones, and Lean Six Sigma (LSS) project value are a few examples of indicators that contribute to 3M's recognition as an industry and global business leader.

3M has prioritized learning and career development opportunities not only for leaders but for all employees. Employees have the freedom to create meaningful development plans, identify goals, and take steps to achieve them. 3M and supervisors provide the tools to help them achieve those goals.

Employee development

Our goal is to have 100% of employees engaging in development activities. With our global online employee learning platform, Develop U, employees are easily able to access development resources to support their career aspirations and advance their strategic skills and capabilities within 3M. Develop U provides employees with a personalized experience by recommending relevant content based on their role within the organization.

Additionally, content is organized and aligned to directly support our organizational priorities, including the 3M culture elements, company-defined functional skills, LSS, sustainability, and other relevant content and experiences. Develop U provides access to tens of thousands of unique, just-in-time learning resources in 13 core languages, allowing 3M's global workforce to engage in employee development. Beyond Develop U, 3M provides access to functional learning content through multiple other channels. Since adopting this goal in 2015, these expanded learning and development offerings have increased reach, covering our total global workforce. In 2020 alone,

we have seen

64%

of our global workforce engage

in self-directed training via online platforms

and in-person/virtual experiences, reaching both production and non-production employees globally. Considering job-specific training as well as self-directed, over 510,000 online learning resources were consumed, and almost 69,000 in-person and virtual events were attended in 2020.

We launched a multi-month Growth Mindset campaign in 2020, reaching over 21,000 learners and generating over 49,000 views across several key resources.

Employees create or update development plans that include activities meant to improve individual skills and further career development. Employees can use additional skill-mapping tools in collaboration with their supervisors to identify long-term desired goals and define actions needed to help reach those goals.

At 3M, learning and experiences are shared. Just as we share and combine our technologies, we also share and combine our knowledge through mentorship, storytelling, and our internal social networking website. We define mentoring as a unique relationship in which a mentor (a more experienced person) helps a mentee (a less experienced person) with their development in a particular area. Further information can be found at **Mentorships at 3M**. 3M's internal social networking website lets employees start new topic groups, join groups, and engage with others on specific topics to help them collaborate and learn.

Taken as a whole, our 2015 goal has been operationalized. We are now planning our next generation approach to strengthen our learning strategy and ecosystem even further, which will include different metrics to measure success and impact.

Racial inclusion advocacy framework

We build inclusive behaviors and create cultural agility through training and leadership development programs as well as through inclusion events and activities worldwide, such as International Women's Day and 3M Global Inclusion Day. In 2020, we aimed to create a space for candid conversations on race and racism. More than 5,000 members of the 3M global community came together for a panel discussion about the impact of George Floyd's death and our next steps to combat systemic inequity and racism. In addition, more than 1,700 leaders engaged in these discussions globally in an effort to create a space for employees to be authentic, be advocates for those who need advocacy, and respond in a respectful way when things don't feel right, avoiding complacency.

In 2020, as we have in prior years, we provided specific training content to our hiring managers and others on implicit bias and how to approach implicit bias.

Leadership development is a competitive advantage at 3M.

Setting new employees up for success

3M invests in onboarding and developing new employees, so they have access to the tools, resources, and networks they need to succeed. Our onboarding process begins at the time a candidate accepts a job offer and continues through the first year of employment.

A consistent, comprehensive onboarding platform provides pre-start information delivery and engagement for new employees on the front end and clear metrics, reporting, and tracking for 3M on the back end. This investment sets up new employees to succeed and make meaningful contributions from the start.

Internships

In past years, the majority of 3M's interns in the U.S. were located at our global headquarters in St. Paul, Minnesota. In 2020, we made a few adjustments, including adapting to a virtual format for our more than 150 interns, relocating approximately 20 manufacturing-focused interns to sites focused on helping build and distribute products that are helping frontline workers during the pandemic, and pushing out the start date of the other internship programs to later in 2020 or the summer of 2021. Outside of the U.S., 3M internships had different timelines and were evaluated with everyone's safety as a priority.

For additional information, see **3M internships adapt to the virtual work world** and **3M interns stepping up to help lives affected by COVID-19**.

Nurturing the leader in everyone

Leadership development is a competitive advantage at 3M. To maintain this advantage, we continue to leverage new technologies and delivery methods, thereby assuring impact, consistency, and global inclusivity.

Many development opportunities and programs are available throughout the various stages of a leader's career journey, spanning every geographic area and 3M business. Programs include a range of online and self-paced offerings from personal effectiveness to financial acumen that cover core skill development aligned to the 3M culture elements. These programs also focus on the future by embedding inclusive leadership strategies, promoting development through corporate social responsibility, and offering mentoring opportunities.

Global executive and leadership development

In 2020, we began the launch of the 3M Leading Edge portfolio of high-potential leadership development journeys within 3M Learning & Development, bringing one consistent approach to how 3M develops leaders across all geographic areas, business groups, and functions. Each program is an integration of customer-focused, results-driven, and experience-based learning that takes leaders outside the classroom walls to sharpen their skills with our customers and in our global communities.

Development for people leaders

With a focus on the critical skills that leaders need to be successful in leading others, the Essentials for People Leaders program emerged as a multi-module program with the flexibility to be delivered as face-to-face classroom training or as online, virtual training. This flexible delivery format is key to providing a consistent development experience for all leaders of 3M while still allowing for needed localization.

All-employee development

All our employees globally, at every level of the 3M organization, are provided with opportunities to develop themselves as leaders. These leadership development offerings target areas of strategic importance, including the development of a growth mindset, agility, innovation, and customer focus. Delivery of content is available face-to-face in experiential workshops, through virtual instructor-led training, and via self-paced e-modules.

In 2020, we evolved our approach to performance management to bring employees to the center and simplify the process.

Coaching

3M has invested in external leadership coaches to support and accelerate the development of 3M leaders around the world. These coaches work in a variety of ways with 3M leaders. We offer one-on-one time with a coach to help employees apply new learning or on-demand coaching to work through a change. We also work with teams to help them stay close to changing stakeholder expectations.

Be rewarded for your efforts

In 2020, we evolved our approach to performance management to bring employees to the center and simplify the process. Called Performance Everyday, the new approach was influenced by ideas that 3M employees shared through crowdsourcing, benchmarking, internal interviews, focus groups, and our culture elements. Performance Everyday empowers employees to think about performance beyond mid-year and year-end through a transparent process and continuous conversations. It's a chance to share recognition, celebrate results, learn from experience, improve performance, and set priorities more frequently.

To drive 3M's successes, we incentivize our employees to excel. Our process includes two components: measurable targets to execute our strategies, agreed upon by the employee and their supervisor; and the demonstration of our culture elements.

The performance assessment process helps to hold each of our employees accountable for their contribution and everyday behaviors. The process aligns personal goals with organizational goals — we strive to achieve our goals in ways that support and strengthen our culture and achieve sustainable growth. 3M has long prioritized taking a well-rounded view of an individual's performance, assuring that employees are treated in a fair and consistent manner.

Through Performance Everyday, 3M is making a conscious shift to a continuous performance and development culture, driven by regular, timely, one-on-one conversations. These conversations will occur frequently — at least once a month. Regular and transparent conversations between supervisors and employees are at the center of the Performance Everyday process.

- Performance goals, linked to higher-level organizational goals, are set jointly between individuals and leaders.
- Tools provided to leaders facilitate conversations between leaders and employees to gain mutual understanding of expectations and desired behaviors.
- Feedback on progress toward these goals is provided regularly — at a minimum once a month, and formally, once a year — and supervisors are taught and encouraged to provide routine feedback to help employees adjust performance and meet or exceed goals.

3M strives to have 100% of non-production employees complete the entire performance review process. In 2020, all eligible employees were rated, and these employees and their supervisors received tasks to complete the year-end process in the performance system.

Learning from listening

For more than 50 years, 3M has been conducting surveys to solicit employee observations, attitudes, and opinions. In 2020, 3M re-imagined our primary enterprise listening strategy to move to an all-employee survey, known as the 3M Census. This survey was deployed to all 3M FTE employees either in electronic or paper format. The 3M Census covers the entire globe and provides specific and relevant feedback to major units within the company (e.g., business groups, divisions, sites, and countries). All employees have the opportunity to complete the 3M Census, and in 2020, our response rate was 70%.

The 3M Census approach provides a holistic look across the enterprise under our global organization model. This serves as a baseline from which we can regularly assess the state of employee engagement and other workplace factors critical to high performance and providing a great place to work.

Group leaders must review their results, present them to their employees, and execute an action plan to address the issues that arise from the results. We built supports into our process that make it easier to bring about successful change through action planning — such as accountability checks and specific tools to act on the results.

We identified key drivers of employee engagement and developed and deployed support for leaders. We regularly assess survey content and update it as needed to assure alignment with company strategy and major initiatives.

Outside of the 3M Census process, we also deploy other relevant employee listening surveys, often focusing on major transformation initiatives, such as advancing our company culture or reinventing performance management. In addition to the main survey system, we have and continue to use an innovative crowdsourcing platform that enables more direct input by employees through open-ended suggestions that can be themed and ranked by usefulness based on input from survey respondents. This is a cycle of continuous improvement for us; we measure, assess, and adapt year after year to assure our surveys support strategy and business objectives directed at supporting sustainable corporate success through our employees' actions on the job.

Global employee sustainability survey and engagement

In 2020, 3M conducted an employee sustainability survey of all permanent, non-production employees globally. The survey was conducted prior to the COVID-19 outbreak.

We learned in the survey that our employees wanted to know more about how they can bring sustainability into their work and their everyday lives. In the months that followed, 3M partnered with the National Environmental Education Foundation (NEEF) to create a three-month-long engagement campaign focused on Science for Circular, Science for Climate, and Science for Community. The campaign combined education with actions employees can take to make an impact on the environment and improve their lives and communities.

Employee staying power

Our global voluntary

turnover rate continues to be under

5%

— a source of great pride for our company.

We calculate voluntary turnover separately from retirements, company-initiated turnover, and reductions in workforce. Voluntary employee turnover is defined as turnover due to employee-initiated reasons (e.g., returning to school or going to another job in a different company).

Total turnover includes voluntary turnover and all other forms of turnover (e.g., termination as a result of restructuring, termination for poor performance, and retirements). Our total employee turnover rate is an annualized rate that measures terminated or retired 3M employees during the calendar year, excluding foreign service employees and 3M temporary employees.

Temporary employees are 3M employees hired temporarily with intent to be employed short-term. They do not include contingent workers.

3M follows all applicable local laws and regulations regarding notice periods in the event of business operations changes.

3M's Human Resources (HR) Department benefits from using one global system to track HR information. At every 3M site around the globe, we have instant access to this information through our global reporting tool.

Highly competitive pay, rewards, and services

The more an employee contributes to 3M's success, the more success they create for themselves. We offer a competitive base pay and, depending on position, variable incentive pay linked to company and individual performance. We also offer a wide range of benefits and discounts designed to help employees live their best. For more details, see the **Compensation** section and **Working at 3M: Pay**.

Rewarding employees for their efforts

Medical, dental, and vision plan options; savings and retirement plans; a 3M employee stock purchase plan; and many other resources can enhance a 3M employee's life, both physically and financially. Where applicable, benefit eligibility also extends to domestic partners and their children.

All regular full-time employees in the United States are eligible for these benefits — regular part-time employees who work at least 20 hours a week are also eligible. Some programs and benefits may differ in other countries due to local laws and regulations.

Further information on 3M's wide range of benefits, 3M Healthy Living Program resources, and discounts designed to help employees live their best can be found at **Working at 3M: Benefits**.

Parental leave

Our parental leave policy helps employees be their best selves at home and at work. All U.S. salaried mothers and fathers of newborn or newly adopted children are eligible for up to 20 weeks (10 weeks paid and 10 weeks unpaid) of parental leave. In 2020, 1,209 U.S. eligible employees participated, including 382 females and — we're proud to say — 827 males.

U.S. military leave

3M strives to be the premier employer for the military community, with paid leave benefits that reflect our commitment to veterans. 3M offers up to four weeks of paid military leave for military training each calendar year to support eligible 3M employees in the U.S. National Guard or Reserve units. Eligible employees on leave for annual encampment or training may be entitled to differential pay for the difference between their 3M pay and their military pay.

U.S. employee parental leave

Usage of parental leave

In 2019:

1,119
total employees

322 female employees

797 male employees

In 2020:

1,209
total employees

382 female employees

827 male employees

Parental leave retention

In 2019:

1,101
total employees

330 female employees

771 male employees

In 2020*:

1,280
total employees

410 female employees

870 male employees

**2020 numbers may include those that left on leave in 2019 and came back in 2020. Some employees on leave in 2020 may return in 2021.*

When and where to do the best work

Based on their job function, employees and their supervisors can make individual arrangements for a flexible work practice that maximizes professional and personal productivity.

FlexAility puts into practice the concept that work life and personal life can coexist. A FlexAility plan can put the power in the employee's hands to make choices that benefit them, their work, their team, their friends and family, and 3M.

As we adapt in the wake of the COVID-19 pandemic, we have leveraged our recent experiences working remotely to refresh and deepen FlexAility.

When we launched FlexAility in 2015, it advanced how we worked. Employees could customize when and where they worked by balancing their own preferences against the needs of their team and job requirements. As we adapt in the wake of the COVID-19 pandemic, we have leveraged our recent experiences working remotely to refresh and deepen FlexAility. FlexAility 2.0 is the first step in our journey toward a new normal for 3M. Fortified by our culture, it creates new models for innovation and collaboration — with our customers and each other — and prepares 3M for the future of work.

At 3M, we recognize that being able to respond to changing circumstances or expectations is necessary for winning in business and maintaining a healthy work-life balance. FlexAility is not a one-size-fits-all program — it can be customized based on role and personal circumstances.

FlexAility can be used to create focused work time, improve collaboration, avoid inclement weather, reduce commuting time, increase productivity, enhance inclusion, accommodate time zone differences, make time for family needs, maintain a healthy lifestyle, participate in volunteer activities, and promote agility.

For more details, visit **FlexAility at 3M**.

3M global employees by region

Full- and part-time, total

Our footprint

Data related to employee metrics has been derived from our human capital management system. All of the data in these charts have been calculated without any assumptions. Additional information on data management can be found in the **About report** section.

The employee metrics in the charts are reflective of employee headcount as of December 31, 2020. This includes the total number of 3M full-time and part-time employees, not 3M full-time equivalent (FTE) employees. Due to acquisition integration schedules factored into 3M's human capital management system, detailed employee information below may differ from employee totals in 3M financial reports.

3M regional and global employee age distribution

Full- and part-time, percentage of total

3M global contingent employees by region

Permanent and *temporary employment total

Contingent hourly or daily workers only, see GRI 102-8 and employee contract.

3M regional and global employee hires age distribution

2020 percentage

3M global new employee hires by region

Total

3M global female employees by region

Percentage of total employees

3M global female hires by region

Percentage of total hires

Thriving through change

In 2020, we expanded on our efforts to create change leaders. With our background in growth mindset training, we focused on change leadership to guide us through organizational changes that will strengthen our company. Leading change is about helping people move from unaware to full commitment to the change. We created a Thriving Through Change intranet website and provided tools and resources for leaders and others through each phase of the change.

We believe that change management is a business process that results in our ability to make transitions that achieve the desired end state while being on time and within budget. This is accomplished by following 3M Science of Change, which is an iterative change management process that is focused on driving new mindsets and new behaviors. 3M Science of Change consists of key steps as well as ongoing efforts to prepare for, communicate, and measure change.

Leading change is about helping people move from unaware to full commitment to the change.

3M global female employees

Full and part-time

3M global females in management

Percentage of total

Values represent the percentage of management positions held by women.

Looking forward

In 2021, we plan to expand and modernize our learning ecosystem in order to improve the learner experience and drive deeper engagement to foster a culture of continuous learning. As part of these efforts, we will create a personalized and centralized experience, displaying an employee's required training and recommended learning in a single location. This will advance our work toward employee development.

As we build 3M for the future, strengthening our culture is a top priority. At its core, culture is how we do things at 3M, and it belongs to all of us equally. As change occurs, we are engaging our employees by continually broadening our listening strategies. We will continue to refine our performance approach to improve the employee experience. We are focused on creating space for authentic, respectful, and candid conversations as part of our efforts to build inclusive behaviors and continue our work on racial inclusion advocacy.

Environmental, health, and safety management

Caring for our people and our environment

Our commitment

3M is at the forefront of the global effort to bring science and innovation to workplace safety. At the same time, as an enterprise with 96,000 employees working around the world, we are always taking steps to further advance the safety, health, and well-being of our employees. Our highest priority is the safety of our employees and the public.

In light of the COVID-19 global pandemic, 3M is providing up-to-date guidance for employees on occupational health and safety protocols, working remotely, meetings, and travel restrictions. 3M has implemented preparedness plans to help protect the safety of our employees around the world while safely continuing business operations.

Our highest priority is the safety of our employees and the public.

Environmental, health, and safety (EHS) policies

The **3M Environmental Policy**, created in 1975, established the framework for environmental management and conservation of resources, emphasizing prevention of pollution at the source. We work to identify potential risks to the environment as well as to the health and safety of our employees and communities, and we take steps to modify processes, product design, and standards to address these risks. We leverage information and technology to assess the risks and drive compliance through data systems and technical analysis.

We continue to make significant investments to reduce the environmental impact of our operations and our products and are committed to complying with all applicable environmental requirements worldwide. We incorporate sustainable attributes into our products to help customers reduce their environmental impact and help meet their sustainability goals.

The **3M Safety and Health Policy** applies to 3M operations everywhere, including new acquisitions. Hazards in 3M's workplaces must be well understood and effectively managed to protect 3M employees, visitors, sites, and surrounding communities.

In addition, we continue to evaluate opportunities to raise our safety and health standards. We visit sites to identify and manage environmental, health, and safety (EHS) risks; evaluate compliance with regulatory requirements and conformance to 3M policies and standards; identify opportunities for continuous improvement; and share exemplary practices both internally and externally.

To assure consistent reporting and metrics globally, 3M, like many multinational companies, follows the U.S. Occupational Safety and Health Administration (OSHA) recordkeeping rules and formulas to record and measure injury and illness rates worldwide. At all sites within 3M's operational control, 3M employees and contingent employees are covered by our injury and illness recordkeeping rules.

EHS Management Standard

3M's EHS Management Standard defines EHS requirements that apply to manufacturing, supply chain, and R&D operations. The **EHS Management Standard** is the basis for our self-assessment and audit protocols.

As part of this standard, these operations, including new acquisitions, are expected to complete the EHS Management System Self-Assessment at least annually. This assessment is categorized into multiple elements that address various areas and standards related to environmental, health, and safety.

3M medical programs and services

3M is committed to promoting a culture of health by identifying and controlling potential stressors in the workplace that impact health and well-being. Employees are encouraged to take advantage of 3M's health and well-being programs that promote disease prevention and health improvement. People are the most important part of our company. 3M aims to support healthy lifestyles and create a psychologically safe work environment that empowers employees to be their best both at work and at home.

Our programs are designed to prevent health-related issues. Clinical services for illnesses and injuries are offered at 3M sites worldwide. Some of our preventive programs include hypertension management, cardiovascular risk reduction, stress management, physical activity programs, smoking cessation, nutrition consultation, and cancer prevention in partnership with the 3M Healthy Living Program. **3M's Medical Record Standard** defines the rules that must be followed to protect workers' medical information. The standard covers access, collection, storage, security, transfer of records, record retention, and record destruction. This standard assures that 3M medical information is handled in a manner consistent with the **3M Data Privacy Principle** and all applicable legal requirements.

On-site occupational health services are available at many 3M sites around the world, based on the risk factors at each site. 3M supports volunteer first responder teams by providing CPR/Automated External Defibrillator (AED) training to employees. All manufacturing sites in the United States are supplied with AEDs and staffed with AED-trained personnel.

Workplace security

3M secures and monitors its sites and has invested in tools and resources to help gather risk intelligence and provide threat mitigation to protect 3M's people, property, assets, and operations.

3M sites are accessible with badge access. Uniformed security personnel support and assist workers and visitors in both emergency and non-emergency situations, such as incidents, loss or theft, and suspicious items or behaviors. 3M has invested in security intelligence monitoring systems. As threats are identified, risk mitigation and investigation managers provide security expertise and guidance to businesses and sites. 3M's Global Security Operations Center (GSOC) monitors risks and intelligence sources worldwide and supports local operations in severe situations.

The GSOC also manages travel safety and provides emergency care and support to workers.

3M uses a variety of tools to manage EHS risks in the workplace.

Incident and crisis management

3M has plans and processes in place to help prevent and prepare for, respond to, and recover from serious, severe, and crisis situations throughout its global footprint. Notification and communication processes managed through the GSOC inform and engage response teams, leadership, and subject matter experts. When a significant EHS event or security threat arises, a message informs workers and provides a response mechanism to confirm their well-being after a severe or catastrophic event. 3M's Corporate Crisis Action Team (CCAT) provides global leadership, coordination, and direction in crisis situations.

For more information, visit the **Enterprise risk** section.

Process hazard management

3M is committed to rigorously managing the risks associated with hazardous processes, such as those with the potential to result in catastrophic fires, explosions, and the sudden release of toxic materials. We use a Hazardous Process Evaluation Tool (HazPET) to categorize hazardous processes. Process hazard analyses (PHAs) are used to assess the effectiveness of existing safeguards. Layers of Protection Analysis (LOPA) is also used in some instances to evaluate safety-critical devices and systems, providing more attention to independent protection layers. Facility siting assessments help us identify and mitigate "maximum credible event" scenarios that could impact workers at some sites. Process hazard management is a global initiative that builds on 3M's existing guidance to our sites around effectively managing potential combustible dust hazards.

Another way we manage hazardous processes is through mechanical integrity programs. These programs help our manufacturing sites manage critical process equipment to assure they are operated and maintained in the most effective and safe manner.

Our actions

Developing and implementing global EHS policies, management systems, and key performance metrics enable 3M to continually integrate and drive continuous improvement into each of the company's four business groups globally, assuring consistency and innovative EHS thinking.

3M uses a variety of tools to manage EHS risks in the workplace. We have successfully used specialized tools for several years in the areas of environmental compliance, life safety, process safety, industrial hygiene, and ergonomics. Each of these disciplines uses a risk management approach to categorize risk levels and define appropriate levels of control, frequently above and beyond compliance.

Live dashboards report EHS data at the site, division, business group, and corporate levels. Dashboards are reviewed by executive management for performance on selected indicators, enabling 3M to monitor and identify successes, risks, and opportunities for performance improvements and footprint reductions worldwide.

Environmental management system implementation

We continue to advance our Environmental Management System (EMS) framework throughout the world.

3M's EMS framework provides structure and consistency for implementing our programs and puts the company in a proactive rather than reactive mode regarding our environmental focus. We have extensive global systems in place to identify, track, and manage relevant information on corporate-wide EHS management and performance. This includes covering a full range of environmental compliance and operational performance metrics relevant to 3M operations, some of which are provided in this report.

In 2020, 3M expended approximately

$55M

for capital projects for environmental purposes.

Environmental investments

In 2020, 3M expended approximately $55 million for capital projects for environmental purposes. Capital projects for environmental purposes include waste reduction and pollution control programs, such as water usage reduction and water quality improvement equipment, scrubbers, containment structures, solvent recovery units, and thermal oxidizers. Capital expenditures for similar projects are presently expected to approach approximately $400 million for 2021 and 2022 in aggregate. Environmental expenditures relating to existing conditions caused by past operations that do not contribute to current or future revenues are expensed.

3M follows a centrally coordinated investment approach to mitigate risk and facilitate the implementation of sustainable technologies to align with our **Strategic Sustainability Framework**.

Applying ISO 14001

The ISO 14001 Environment Management System (EMS) standard is an internationally recognized approach for managing the immediate and long-term environmental impacts of an organization's products, services, and processes.

To help sites comply with the current ISO 14001 standard, 3M provides ISO 14001 training modules in our Global Learning System. Web-based courses are offered addressing topics on general awareness, internal auditors, leadership management, and more. Learning coordinators can assign these web-based training courses to groups of employees, process certifications, and run reports. Supervisors can then view their direct reports' learning activities.

Altogether,

our ISO 14001-certified sites account for

77.4%

of transfer value of shipments (TVOS).

Third-party assurance of sustainability metric reporting

APEX Companies, LLC provided independent third-party verification of 3M's 2020 environmental data (volatile organic compound emissions, water, waste, environmental compliance metrics, energy consumption, and greenhouse gas emissions) included in this 2021 Sustainability Report. For additional information on our third-party assurance, see the **APEX Companies, LLC Assurance Statement**.

Site self-assessments and auditing

3M verifies regulatory compliance and alignment with the EHS Management Standard, conducting EHS-related audits on a standardized schedule based on site-specific EHS complexities. 3M's multifaceted strategy for implementing EMS and global auditing of EHS compliance for our operations is key to understanding and resolving any potential gaps. The EHS Management System defines EHS requirements that apply to all 3M sites globally and is designed to bring more consistency to EHS self-assessments and EHS audit protocols at 3M manufacturing, supply chain, and R&D sites worldwide. These operations (and new acquisitions based on their integration progress) must complete the EHS Management System Self-Assessment at least annually. Data from the assessments is validated through audits, site visits by subject-matter experts, and other data systems.

Starting in 2020, 3M has been building out our EHS and chemicals management audit program to best-in-class capability with the addition of:

- Adding new features to allow sites to audit their own programs; involving 3M experts from outside a site's auditing programs; and having external, non-3M specialists visit and audit 3M sites
- Expanding coverage for compliance and management systems
- Increasing the physical monitoring of site emissions
- Utilizing periodic, formalized evaluations of our underlying processes to determine and communicate EHS requirements to operations

In 2020, our EHS site audits covered sites that manufactured 33.1% of transfer value of shipments (TVOS).

Key objectives of audits:

Managing global risk and compliance		
Maintain compliance	Develop environmental professionals	Manage risk
Share best practices	Identify common areas for improvement	Build common understanding of requirements

Comprised in the auditing process:

- The frequency of EHS compliance audits on manufacturing, supply chain, and R&D operations is based on the site's EHS complexity rating along with management input. These operations are annually assessed with respect to the standard audit frequencies to establish a prioritized list of sites for compliance auditing.
- 3M uses a variety of tools and resources for compliance auditing, including:
  - Internally developed compliance protocols created by subject-matter experts in regulatory programs and 3M processes
  - 3M's **EHS Management Standard**
  - Externally purchased compliance protocols, especially for operations outside the United States, to assure local compliance obligations are understood and met
  - Internal EHS compliance experts from around the company
  - External EHS consultants, as needed, to provide additional expertise and third-party verification
  - Complete and robust documentation of audits
  - Findings with assignments of responsibility, due dates for closure, and tracking to completion
  - Detailed reviews of findings to assure corrective actions are complete

3M's EHS auditing program is audited periodically by 3M's Corporate Auditing Department, resulting in improvements to the scope of the audit program, fully addressing all in-scope sites and the verification of EHS audit findings.

All EHS auditors are required to take a certification test covering the important aspects of the 3M EHS Auditor Guidelines. 3M EHS professionals are assigned to an audit team or lead auditor to provide support on the auditing process and/or a specific subject during the audit.

Compliance analysis, documentation, and verification

In an effort to create more consistency in auditing of manufacturing sites, 3M uses an electronic system, Compliance and Auditing Management and Metric Systems (CAMMS). While its compliance module is primarily focused on the United States and Canada, CAMMS is a system for maintaining environmental compliance requirements and determinations that can be used globally. CAMMS allows us to conduct internal compliance audits in the context of applicable regulatory requirements and company policies and standards. In addition, CAMMS utilizes a risk assessment tool for prioritizing resources to implement corrective actions.

3M EHS audit locations, 2016-2020

Environmental site assessments and enhancements

Outside of 3M's EMS framework, 3M has completed environmental site assessments at most sites, with the goal of identifying potential historical liabilities. Because of these assessments, we can identify sensitive biodiverse areas that are on or near 3M properties. The environmental site assessments include a site visit and a search of public databases to identify these areas, such as rivers, creeks, and wetlands.

Employee safety and health during the COVID-19 pandemic

3M takes our responsibility seriously to help keep employees safe by minimizing the spread of disease. During the various stages of response and recovery due to the COVID-19 pandemic, 3M has remained committed to keeping its employees and the public safe. 3M instituted a variety of new protocols at global manufacturing, supply chain, and R&D operations, helping essential production employees mitigate their chance of infection while also maintaining production of vital response supplies.

In our operations where dedicated essential workers continue to power our pandemic response, this has meant remaining diligent and adhering to health and safety protocols to help mitigate the risk of transmission. 3M site leadership teams continue collaborating with their local communities, disease prevention coordinators/occupational health nurses, and public health authorities around the world — such as the U.S. Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO) — to continuously evaluate and reinforce safe operating practices.

Active monitoring of the COVID-19 pandemic has allowed 3M to adapt our protective measures globally for employee health and safety by implementing protocols like physical distancing, heightened personal hygiene practices, disinfection cleanings, and additional trainings, as well as use of face coverings in the workplace.

For more information and examples of health and safety protocols implemented at our sites, see the stories **New global safety measures help protect workers, business continuity** and **Enhanced safety protocols protect workers, ensure business continuity**.

Early in 2020, in an effort to prioritize the health and safety of our people during COVID-19, the majority of our workforce at 3M office buildings and in the field transitioned to working remotely. Our global pandemic preparedness plan is governed by our Corporate Crisis Management Team and follows a phased approach.

Our approach to returning to business travel and field operations will be cautious and flexible as we adapt the framework to local conditions. We will maintain a focus on the health and safety of our employees and acknowledge the need to ensure business continuity and support our customers.

Occupational epidemiology

3M is one of the few companies supporting an internal occupational epidemiology program. For over 25 years, this group has conducted epidemiologic studies to examine health outcomes among 3M manufacturing workers and their potential association with occupational exposures and other workplace conditions. Occupational epidemiology research is used to inform risk assessments and develop risk management activities within 3M.

EHS Cultural Excellence Program

The goal of our EHS Cultural Excellence program is to continually enhance 3M's organizational culture at all sites worldwide with a key metric of enhancing EHS culture through leadership engagement with site employees. In 2020, we used this proven culture initiative in a global effort to prevent the spread of COVID-19, with a goal of zero work colleagues identified as close contacts of confirmed COVID-19 cases. These actions helped us quickly respond to the COVID-19 pandemic to assure business continuity while maintaining our highest priority — the safety of our people.

The program works to engage our employees so we, as an organization, can understand and reduce risks, follow safety practices, and be comfortable raising personal concerns to help address concerning behaviors.

International travel health

Our travel health team prepares 3M employees for international business travel through comprehensive travel health consultations that include a personal health history review, immunizations, appropriate travel medications, and travel health education. We assist all employees who may require medical assistance while away from their home country.

During the COVID-19 pandemic, 3M restricted international travel that was not deemed business critical. Employees who did travel were provided with information on precautionary measures they should take to help prevent COVID-19 infection — as well as the actions they should take if they became ill while traveling.

Healthy living

Health, wealth, wellness, and resilience create a framework for a collection of programs, resources, and services designed to help employees and their families achieve their well-being goals. Our 2020 programs and services vary globally. Examples include free flu shots, health-conscious options in the cafeterias, on-site fitness centers and medical care (limited availability due to global pandemic), telehealth, adoption and foster care support, and the FlexAbility program, which encourages work life and personal life to coexist. A FlexAbility plan puts the power in the employee's hands to make choices that benefit them, their work, their team, their friends and family, and 3M.

Knowing that the global pandemic has been taking a toll on people's mental health, 3M's disAbility Network and Employee Assistance Program (EAP) addressed these issues head-on through a series of virtual events during Mental Health Week, October 5-9, 2020. The events explored the mental health challenges that many people are experiencing, provided strategies for managing grief, anxiety, loneliness, and remote work fatigue, and offered insights for supervisors to support their teams during this difficult time. Talking about these issues, especially at work, helps normalize the conversation and hopefully will start to eliminate the stigma associated with mental health issues.

Additional information on employee programs can be found in the **Employee programs** section of this report.

Environmental, health, and safety (EHS) incident management

Since 2010, all 3M sites globally are required to internally report actual and potential incidents (i.e., identify risks) through one dedicated system, which we call EHS 360. Actual and potential incidents include, but are not limited to, injury or illness, fire or explosion, environmental exceedances, spills, agency notices, and fines.

EHS 360 has led to continuous improvements relating to the awareness of responsibilities, understanding of the holistic system, and more consistent reporting requirements for 3M's global operations.

Significant Injuries and Events (SIE) rates

Since 2014, over 128,000 internal risk assessments resulted in the identification and reduction of risk associated with more than 36,000 activities, including 10,500 associated with activities that have greater potential to result in a SIE.

In 2019, we refined and expanded our internal classification criteria. SIE is broadly defined by impairment, disability, and other considerations. It also includes non-injury and illness events, such as fires, spills, and non-COVID communicable disease outbreaks, like measles or mumps. In 2019, we established a baseline for the SIE rate.

From 2019 to 2020, there has been a net reduction in the number of SIEs of

14.3%

Ergonomics risk management

3M's Ergonomics Risk Reduction Process (ERRP) is a global, comprehensive program that integrates ergonomic job analysis and engineering design criteria to reduce exposure to commonly identified musculoskeletal disorder (MSD) risk factors. To accomplish this, we apply ergonomics risk assessment tools globally to identify and assess ergonomic risk in the industrial environment.

In 2019, all manufacturing sites were required to complete an ergonomic footprint assessment and establish yearly reduction targets.

In 2020, over

1.4K

high exposures were eliminated, exceeding our internal target.

Online ergonomic training is also available 24/7 to any employee who wants to learn more and has access to 3M's intranet. See the **3M regional and global recordable incident rate chart** for details.

Industrial exposure risk management

To accurately assess exposure management programs and activities, 3M uses the comprehensive approach outlined by the American Industrial Hygiene Association (AIHA). In 2020, 92% of our processes involving potential workplace exposures to chemicals or noise have been fully assessed. As prescribed by our EHS Management Standard, we have also conducted proactive assessments of dermal exposure, engineered nanoparticles, hazard communication, personal protective equipment, respirator protection, and ventilation. These assessments help us determine whether any changes in exposure management programs are warranted.

Medical surveillance

We monitor our employees based on their potential exposure to chemical and physical hazards in the workplace. We screen for early signs of occupational illnesses to protect workers from further exposure, and we provide medical management. We look for trends in the health data of working populations to assure that potential hazards are well controlled. While many of these programs are mandated by government requirements, others are established to meet 3M's more protective standards.

Radiation protection

3M's Corporate Radiation Protection and Compliance group (CRPC) provides hazard evaluations and develops and provides training for both radiation source users as well as site radiation safety officers to help protect 3M employees, our customers, and the public. This includes the use of radiation in both manufacturing and R&D — ionizing radiation sources such as radioactive materials and X-ray emitting devices; and non-ionizing radiation sources such as lasers, microwave and radiofrequency radiation, magnetic fields, and ultraviolet, infrared, and visible light. Periodic program audits evaluate site performance in managing hazards during routine use and maintenance of radiation sources, security of radiation sources, training of personnel, and regulatory compliance.

Contractor and visitor environmental, health, and safety

3M requires all visitors, vendors, contingent workers, and contractors at 3M sites to follow all applicable 3M workplace environmental, health, and safety requirements. For example, contractors must complete a pre-qualification process before they may perform work on 3M premises. This process includes, among other things, reviewing the contractor's employee injury/illness rates, experience modification rates (EMR), employee training records, and safety committee activities. Contractor performance evaluations include safety reviews. Pre-construction safety reviews address potential hazards and controls related to the work.

Each 3M site has a contractor coordinator who is the main 3M contact for working with contractors on EHS issues. The contractor coordinator is empowered to participate in pre-bid meetings and pre-qualifications for contractors. The contractor coordinator and/or a trained designated representative is on-site and therefore available for contractor meetings and safety reviews whenever necessary and appropriate.

Contractors are asked to submit notification to 3M of worker hours and any injuries occurring while performing work in accordance with a 3M contract. Any contractor incidents are reported in the 3M EHS 360 data management system, including injuries and contractor worker hours.

New global Environmental, Health, and Safety and Product Stewardship (EHS&PS) organization

To align the protection of our employees, communities, and customers, in 2020, we brought together the Corporate Environmental, Health, and Safety (EHS) organization, global site EHS leaders, and the Product Stewardship (PS) organization. This new, single, unified global EHS&PS organization reports into Corporate Research & Development (CRD) to assure independent technical assessments and compliance in our operations. With this change, the new EHS&PS organization will serve as a central, independent resource that will increase collaboration and best practice sharing across areas and manufacturing operations. The new organization will be led by the vice president, EHS&PS, CRD, a newly created position.

3M regional and global recordable incident rate

Per 100 3M employees (200,000 work hours)

Global EHS Team

3M's global EHS Team has continued to evolve. We believe our current operational state sets us apart from our peers. Comprised of business-level EHS committee members, regional EHS managers, and corporate subject-matter experts, this team works with EHS site staff to address and replicate best practices, solve problems, and drive worthy EHS initiatives to the operational level.

3M is committed to the education and training of our teams. The global EHS Team supports the professional development of EHS site staff by holding topic-specific meetings and global conferences as well as by providing scholarships for professional certification training courses. 3M covers fees for professional certification exams, recertification dues, external conferences, and other professional development opportunities.

In 2020, 100% of 3M manufacturing sites worldwide had active employee safety and health committees.

3M global recordable incident rate category

Per 100 3M employees (200,000 work hours)

3M regional and global lost time incident rate

Per 100 3M employees (200,000 work hours)

Commitment to PFAS stewardship

PFAS refers to a broad category of compounds that encompasses thousands of materials with distinct and widely varying properties and profiles. Their strong and stable carbon-fluorine bond offers unique performance properties such as resistance to oil, water, chemical, and fire resistance.

Processes to commercially produce PFAS were first developed in the 1940s. In the 1950s, 3M was able to use these processes to begin manufacturing various PFAS, including PFOA and PFOS—two types of PFAS—for product applications. The strength of the carbon-fluorine bond that is emblematic to these materials also means that these compounds do not easily degrade. The weight of scientific evidence from decades of research does not show that PFOS or PFOA causes harm in people at current or past levels. However, in 2000, we voluntarily decided to phase out of PFOS and PFOA production globally in response to evolving knowledge regarding the detection of these materials in the population and in unexpected places in the environment.

Because of their unique properties, PFAS are invaluable for many innovative products of industrial and social significance, including health care, advanced electronics, and replacement of materials with high global warming potential. Important applications, such as semiconductor manufacturing, high-performance electronic devices like cell phones, life-saving medical devices, and low-emission vehicles all rely on modern PFAS, and 3M's internal processes help ensure our products are safe for their intended uses. To help ensure companies and communities that rely on these products can continue to access them, 3M supports appropriate PFAS regulations that are established with transparent processes and objective science. We regularly engage with government officials, scientists, and communities at all levels globally to help share our perspective on these important topics.

Our thoughtful, scientific approach and innovation has driven success for our people and businesses for more than 100 years, and we will continue to apply this same approach to our stewardship decisions. 3M acted responsibly in connection with products containing PFAS and continues to contribute to scientific discourse regarding these important materials. 3M has published more than 150 studies on health science and environmental effects of PFAS and created a research clearinghouse of our own research into PFAS testing, remediation and measurement best practices. In addition to investing in remediation, installation of appropriate treatment technologies, and testing water sources, 3M is committed to applying our scientific and innovative approach to advancing technologies in this field.

We continue to invest our resources and our expertise to advance sound science in this important space. To learn more, see 3M's **Commitment to PFAS Stewardship**.

Looking forward

We will continue to drive EHS management programs across all our global manufacturing, supply chain, and R&D operations. In the coming year, we will enhance our existing EHS self-assessment process with targeted self-audits by performing robust, comprehensive evaluations of key aspects of the programs to prevent Significant Injuries and Events (SIEs). We will expand the number of global EHS audits and work to bring multidisciplinary teams to help sites achieve risk reduction and EHS goals. Furthermore, we will continue to lead in sustainability through pursuit of our environmental goals, which include achieving carbon neutrality by 2050, reducing water use by 25% at our facilities, and enhancing the quality of water returned to the environment after use in 3M manufacturing operations.

We will continue to implement a new global site EHS management of change system and a new Environmental Hazard Assessment (EHA) process tool; implement standard work for event investigations; and improve our internal real-time data systems to track EHS compliance, risk reduction, and cultural excellence.

3M will continue to follow a centrally coordinated investment approach to mitigate risk and facilitate the implementation of sustainable technologies to align with our **Strategic Sustainability Framework**.

Our work to help reduce the spread of the COVID-19 pandemic will continue into 2021. See how 3M is **Helping the world respond to COVID-19**.

We will continue to improve our internal real-time data systems.

Circular materials

Advancing a global circular economy by designing solutions that do more with less material

Our commitment

Our current global economy's linear business model of "take, make, and waste" is depleting natural resources faster than they can be replenished and is straining our ecosystems. Imagine repurposing a piece of plastic at the end of its use and giving it another life as something else. Its use would become circular, and the end of use wouldn't mean the end of life.

A circular economy does more with less, keeps products and materials in use, designs out waste and pollution, and regenerates natural systems.

At the core is an opportunity to develop technologies and business models that are restorative and regenerative by design. We see the circular economy as an opportunity to inspire leadership, innovation, and disruptive change, all driving impact for a sustainable future.

At 3M, Science for Circular is one of three pillars of our Strategic Sustainability Framework and focuses on designing solutions that do more with less material, advancing a global circular economy. We believe it is our responsibility to carefully assess renewable and recycled materials, water, packaging, and waste as we focus on Science for Circular. It is also our responsibility to be strategic, planful, and to mitigate risks related to these materials along the way.

We believe that risk management is an essential component of strategic planning — with broad risk oversight by the 3M Board of Directors and its committees and with committee-level risk analyses reported to the full Board and executive-level internal auditor and chief ethics & compliance officer appointed by, and reporting directly to the **Audit Committee**.

The highest level of sustainability risk governance is the responsibility of our **Science, Technology & Sustainability Committee** of the Board of Directors. The committee oversees the twin demands of developing products to meet the ever-changing needs of our customers while assuring that those products cause no harm to people or to our planet. The committee's roles and responsibilities include reviewing the company's sustainability policies and programs; and identifying and analyzing significant sustainability, materials vulnerability, and geopolitical issues that may impact our overall business strategy, global business continuity, and financial results. For more information on risk, see the **Enterprise risk** section.

Imagine repurposing a piece of plastic at the end of its use and giving it another life as something else.

Reusable, renewable, and recycled materials

3M continually looks for ways to recover, reuse, and recycle byproducts and other surplus material, and we include renewable and recycled materials in our products when we can. Increasing usage of renewable and recycled raw materials through product design and operational considerations helps us support the circular economy.

Water stewardship

Water is an important raw material supporting our manufacturing processes. We respect our ecological and ethical responsibilities and have a vested interest in preserving and improving the quality and availability of water in the communities we serve and beyond. **3M's Water Stewardship Standard** outlines our commitment to water resources that secure social equity, economic growth, and environmental protection. Water resources include water intake, effluent water discharge, and rainwater.

The threat of water scarcity is real and is already occurring in some areas of the world. We are continually evaluating risks and opportunities related to water scarcity. To define our high-risk sites, 3M uses the World Resource Institute's (WRI) Aqueduct™ tool to screen the company's various sites and their water use with validated WRI water availability information, both on a country and watershed basis.

3M locations in-scope for the 2025 Sustainability water-stressed/scarce communities goal

In 2020, 16 sites with annual water use equal to or greater than 1,000 cubic meters were in water-stressed areas as defined by the extremely high baseline water stress value, according to the WRI Aqueduct tool.

Each 3M site located in a water-stressed area is required to understand its water use and associated business risks and impacts and must work with local water resources to understand potential impacts on the surrounding area. Those sites are also asked to do water conservation planning, outlining current and future water conservation efforts. Annual stress-level screening evaluations are conducted for global operations using available updates from the water tool, an analysis of site operations, and a review of water usage and local conditions.

Science for Circular goal

Engage 100% of water-stressed/scarce communities where 3M manufactures, on community-wide approaches to water management by 2025

maintaining goal 2015 — 2025 goal

3M will partner with local communities to advance water recycling and conservation. Ultimately, we aim to help these communities build and manage their own clean water efforts into the future.

Science for Circular goal

In 2021, 3M announced a new goal to enhance the quality of water returned to the environment after use in 3M manufacturing operations.

Our initial focus is on state-of-the-art water purification technology at the largest U.S. water use locations; operational by 2024.

Science for Circular goal

In 2015, 3M set a goal to reduce global water usage by 10%, indexed to sales, by 2025. In 2021, we expanded this goal. 3M's new commitment is to reduce global water usage by the following amounts: 10% by 2022, 20% by 2025, and 25% by 2030, indexed to sales.

behind goal of 10% improvement 2015 — 2025 goal

We expect to reduce our overall water usage by 2.5 billion gallons (about 9.5 billion liters) per year.

Packaging

3M's product diversity, markets, and global multi-channel distribution systems create a complex landscape that does not lend itself to a "one solution fits all" approach for product packaging. Our packaging sustainability roadmap takes into consideration the requirements and needs that are quickly evolving around the world and our responsibility to meet those needs.

Our roadmap's top priorities include:

- **Product protection:** Design every package to optimally protect the product from point of manufacture to point of use.
- **Efficient packaging:** Minimize the amount of material used. Optimize cube utilization at all pack levels. Eliminate all unnecessary packaging.
- **Circular packaging:** Design packaging to be reusable, recyclable, and/or made with renewable resources. Maximize recycled content of packaging materials.

Waste management

We reduce, recover, reuse, and recycle byproducts and other surplus materials in our operations whenever feasible. When not feasible, we responsibly dispose of waste materials.

The **3M Waste Management Standard** applies to all 3M sites and provides a framework for managing all waste types from the time of generation until reused, recycled, treated, or disposed. The standard sets a baseline for several core waste program elements and encourages waste minimization and recycling whenever possible.

Per the standard, each 3M site has a waste management coordinator who is responsible for assuring conformance to the standard, including organizing appropriate waste training for all personnel. Compliance with all 3M and other regulated waste requirements is evaluated through the internal environmental auditing program.

Our **Disposal of Chemical Waste Standard** calls for appropriate management and disposal of chemical waste to manage risks and protect the environment. This includes efforts to reduce the amount and hazards of waste materials generated, to recycle or reuse those materials whenever practical, and to control waste disposal through final disposition.

Science for Circular goal

Reduce manufacturing waste by an additional 10%, indexed to sales, by 2025

toward goal of 10% reduction — 2015 — 2025 goal

3M continues to drive "zero waste" thinking with our product designs and process technologies and will continue material reduction work within our manufacturing operations. Our definition of manufacturing waste for this goal includes materials sent to incineration and landfill.

Science for Circular goal

Achieve zero landfill status at more than 30% of manufacturing sites by 2025

exceeding goal of 30% — 2015 — 2025 goal

In addition to our waste reduction goal, we plan to increase the repurposing, reusing, and recycling of potential waste materials to divert them from landfill disposal. The intention of our zero landfill goal is to drive our sites to increase product and process optimization, on-site and offsite recycling, and composting.

Science for Circular goal

In 2021, 3M announced a new goal to reduce dependence on virgin fossil-based plastic by 125 million pounds by 2025.

We will innovate new solutions for products and packaging in our Consumer Business Group. These solutions will use recycled content and bio-based plastics, and ultimately work to decrease our overall plastic use.

Our actions

Circularity in our operations

Reusable, renewable, and recyclable materials in our operations

While reducing waste is the first choice in the hierarchy of waste management options, other possibilities, such as reusing, recycling, and composting, can also fuel the circular economy by getting more out of our materials and allowing them to continue into their next life.

As sites identify opportunities to divert material streams, we protect 3M's reputation by carefully managing byproducts by setting up contracts with our haulers, recyclers, and waste-to-energy companies to confirm that our material is handled appropriately.

Zero landfill

Based on our research, we've chosen a holistic definition: At 3M, zero landfill means no byproduct is sent directly to a landfill from a 3M manufacturing site in a calendar year. A site will continue to be a zero landfill site as long as no manufacturing operations waste is sent to a landfill. Waste, as defined here, does not include ash generated from 3M material sent to a waste-to-energy or incineration site controlled by a third party.

Each site reports its waste data in a corporate database each quarter. The data from select sites and at the corporate level is third-party validated. Sites seeking zero landfill status are also required to complete an internal assessment to assure accurate reporting.

By the end of 2020,

42.9%

of 3M sites had attained zero landfill status.

As we monitor progress toward this goal, sites listed may fluctuate due to site closures, acquisitions, consolidations, or sites missing zero landfill requirements. Two additional sites achieved zero landfill status, Irvine, California and Hutchinson, Minnesota in 2020.

Global waste diversion by type

Metric Tons

**Does not include on-site recycle and reuse and offsite reuse from 3M's industrial mineral product (IMP) division.*

Water conservation in our operations

3M's total water usage includes sanitary, process, heating, cooling, remediation, and other sources. Water usage data is tracked and reported annually on a global basis for manufacturing sites that produce greater than 4.54 metric tons (10,000 pounds) of product per year. The reported data accounts for 99.0% of transfer value of shipments (TVOS).

Total water consumption decreased

39.8%

between 2005 and 2020

indexed to corporate-wide net sales. Results also indicate that the largest share of 3M water use in operations is for processing products in manufacturing and heating or cooling of those processes and associated operations. We continue to improve our data accuracy through monitoring and measurement.

Global water withdrawal

2020 percentage

Groundwater	45.2%
Other sources	10.3%
Public municipal	24.4%
Surface	20.2%

Evaluation of 3M's 2020 water-stressed/scarce global locations utilized the updated Aqueduct™ Water Risk Atlas stress-level screening tool, Aqueduct 3.0. Updates to the tool resulted in changes to in-scope sites. Out of the 16 in extremely water-stressed areas, eight made 3M's list for the first time, including locations in Mexico, France, Spain, Turkey, India, and Thailand. After the assessment, work began in order to understand current baseline and onboarding for those newsites, continuing into the first half of 2021.

Within 3M's global pollution prevention system, 3M employees can record and track water reduction ideas and list any barriers to implementation. Engineers, developers, and managers can see opportunities across our 51 core Technology Platforms. This visibility provides a deeper understanding of water use reduction opportunities across the company.

Global water usage

Million cubic meters

Indexed global water usage

Million cubic meters per MM $USD net sales

Packaging in our operations

To support our circularity efforts, we work internally and with our suppliers to reduce, reuse, or recycle the packaging of raw materials we receive. For example, in our Asia-Pacific area, we implemented a wooden crate reuse program. Working with one of our suppliers, we took crates used to transport incoming materials from one of our sites and had them heat retreated, resized where necessary, and re-certified so they could be reused to export 3M products to other countries. This amounted to reusing 70 metric tons of wood rather than disposing of it.

For more information on our supplier circularity efforts, see the **Suppliers** section.

Waste reduction in our operations

Within each geographic area, results are reviewed regularly against goals and tracking metrics. Specialized teams work on a variety of projects and programs, ranging from basic office recycling to more complex projects, such as developing and capturing intrinsic waste materials generated by a manufacturing line. Through an evaluation process, all aspects of material reduction benefits or risks are reviewed. The 3M EHS and Product Stewardship organization measures progress toward raw material usage and waste reduction goals for sites within our global manufacturing footprint. The results and raw data are used to identify, quantify, and prioritize projects to improve, utilizing Lean Six Sigma (LSS) methodology.

Raw material utilization is a measurement of overall product and process yield throughout our manufacturing processes and is a key metric for 3M. This internal metric is tracked at all manufacturing sites and is indicative of operational excellence in our product design and manufacturing processes. Our raw material utilization includes the product, the process and all byproducts. The first step in waste management is the reduction of waste, which also increases raw material utilization.

Indexed global waste

Metric tons per MM $USD net sales

Starting in 2016, waste no longer includes waste-to-energy.

Global waste by disposal type

Metric tons

Here are some examples of how we continue to reduce waste in our operations.

3M Pollution Prevention Pays (3P)

An industry first, 3M's 3P program, developed in 1975, is based on the belief that a prevention approach to pollution is more environmentally effective, more socially acceptable, and more economical than treatment. In the last 46 years, the program has prevented 2.68 million short tons of pollutants and saved over $2.32 billion, based on aggregated data from the first year of each 3P project.

Employees can record and track waste reduction ideas in a 3M web-based system. Engineers, developers, and managers can see opportunities across our 51 core Technology Platforms. This visibility provides a deeper understanding of waste reduction opportunities across the company. We use this system to create, identify, and share management best practices related to waste reduction.

Our waste reduction results

Between 2015 and 2020, 3M has reduced the amount of material sent for landfill and incineration by 9.98%, indexed to net sales.

We have decreased our waste, indexed to net sales, by

31.4%

since 2005.

3M's waste metrics include 3M manufacturing sites with total output greater than 4.54 metric tons per year (10,000 pounds), which represents 99.0% of transfer value of shipments (TVOS). Composting materials from our manufacturing sites is an extremely small component of our manufacturing operations. 3M does not have any waste streams that are managed by deep well injection.

3M is also dedicated to operating in accordance with all regulations and managing waste materials safely and responsibly. All 3M sites are required to manage all returned, recycled, and waste materials from the time of generation until reused, recycled, treated, or disposed.

3P global pollution prevention achievements: 1975-2020

First year total pollution prevention cumulative totals, short tons

Circularity in our products

Since 2019, we've required 100% of products entering our new product commercialization process to have a Sustainability Value Commitment (SVC) to contribute to the aspirations laid out in our Strategic Sustainability Framework. When teams determine the SVC for a new product, they consider factors such as reusability; recyclability; and energy, waste, and water savings appropriate to the specific product throughout its life cycle. For more information, see the **Innovation management** section.

Reusable, renewable, and recyclable materials in our products

We develop reusable products and create products for our customers using renewable or recycled materials. Examples include supporting the refurbishment of old products with our **Post-it® Flex Write Surface** that can cover existing whiteboards and chalkboards and can be wiped clean with water even when permanent marker is applied; using renewable resources with plant-based adhesives in our **Post-it® Super Sticky Notes**; and making products with recycled materials such as **Scotch-Brite® Greener Clean Non-Scratch Scrubbers** using 75% post-consumer recycled plastic.

For more examples, see the **Our products** section and our feature story, **Making strides embedding sustainability into new products**.

Water conservation and quality designed into our products

We develop water-saving and water-quality improvement opportunities for our customers. One example is our wide range of residential, commercial food service, and industrial water filtration solutions. Products range from drinking water systems to whole-house treatment and filtration. 3M Residential Water Filtration products address common water quality concerns, such as sediment and chlorine taste and odor. Some products also reduce contaminants and help protect pipes by reducing scale. For more information, see **3m.com/water**.

Packaging for our products

In 2020, we continued our long-standing commitment to efficient packaging design by assuring products are protected with the minimal amount of packaging materials. We did this by removing and lightweighting packaging materials and maximizing product-to-package ratios (removing as much empty air space as possible from the package). In 2020, our packaging reduction efforts resulted in a decrease of more than 514 metric tons.

To support our circularity efforts, we work to select packaging materials on the front end so they can be recycled after use rather than discarded on land or in waterways. We also continue to increase recycled content, make our packaging easier to recycle, encourage reusable packaging where appropriate, and increase the use of renewable materials.

In 2020, we launched our Packaging Sustainability Roadmap internally, with a special focus on circular package design. We provided training for all packaging engineers using a newly developed tool kit that provides clear definitions of circularity terms and highlights which packaging materials to select in terms of increasing recycled content, designing for recyclability, and moving to more renewable packaging materials.

Circularity in our packaging

- 3M continued efforts to eliminate PVC packaging, including conversion of PVC blister packaging to recycled PET in consumer product lines such as our Scotch®, Command™, and Post-it® branded product offerings. This does not only increase the recycled content of our plastic packaging; it also increases the recyclability potential since PET is much more readily accepted at recycling facilities than PVC. Because of this change in 2020, an additional 29 metric tons in North America had the potential of being recycled, rather than ending up in a landfill.
- Another example of designing our packaging to be more circular is the change from PVC to PET containers within our automotive aftermarket division in the Asia-Pacific area. This change resulted in 3.5 metric tons of bottles having the potential to be recycled rather than landfilled.

We also continue to address our plastics in packaging by removing and lightweighting where we can. In 2020, we designed out 8.5 tons of plastic from our packaging.

See our feature stories, **Making strides embedding sustainability into new products**, and **Extending product life reduces electronic waste stream**, for additional examples.

Waste reduction designed into our products

Our product development teams strive to design products using less material when they can, with an eye on reducing waste. Examples include the reusable **Post-it® Pop-up Note Dispenser**, which is made with less plastic than other Post-it dispensers; abrasives that cut faster and last longer, increasing efficiency with less waste; and an aircraft paint preparation that reduces paint and solvent usage.

For more examples, see the **Our products** section.

Circularity in our communities

Reusable, renewable, and recyclable materials in our communities

Surplus material from one business may be the raw material for another business. When we expand outside our own value chain, the opportunities can be endless. In 2020, we continued our company-wide strategy on reuse, reduction, and internal recycling as well as collaboration with our own technical community, channel partners, and civic and conservation leaders in communities where 3M operates.

Ellen MacArthur Foundation

In 2020, 3M renewed our membership with the Ellen MacArthur Foundation to accelerate the movement toward using recycled and renewable raw materials in our product and package designs. Within 3M, multiple cross-functional circular economy working groups focus on different areas, including polymers, chemicals, packaging, cloths/fibers, and other key materials.

Sustainable Growth Coalition

We are one of 30 businesses and organizations that formed the Sustainable Growth Coalition (formerly the Minnesota Sustainable Growth Coalition). The Coalition's Circularity Guiding Principles advanced in 2020. These principles center on rebuilding a stronger, more resilient economy as we look to recover from the pandemic and build equity and community inclusion into sustainability efforts. The Coalition is advancing social, racial, and economic equity by cultivating conversations across differences.

The Recycling Partnership

The Recycling Partnership is driving systemic change in the U.S.'s recycling system. They operate at every level of the recycling value chain and use a public-private partnership model to help communities create more efficient recycling programs, companies reach their sustainability goals, and advance a recycling policy that activates the circular economy. Since more than 85% of the landfilled material 3M generates worldwide is within the United States and Canada, we understand the importance of building capacity in the U.S. One of the keys to making the circular economy work is curbside recycling — and although it might feel like access to recycling is everywhere, only half of all U.S. households have access to it at home.[1] As a result, only about half of all recyclable materials are captured.

[1] *The Recycling Partnership*
https://recyclingpartnership.org/circularity

Based on 2020 impact metrics, 3M's continued support of The Recycling Partnership's mission and work to transform the U.S. recycling system has contributed to a cumulative impact of 1,866 communities being supported with tools and resources to help drive local change; 88 million households reached;

920K

recycling carts put into service

to improve access for families; and 348 million pounds of recyclables diverted, thereby avoiding 382,000 metrics tons of GHG, cumulatively. Many projects were delayed in 2020 due to the COVID-19 pandemic; however, they are anticipated to launch in 2021. The Partnership expects a highly impactful year of work in 2021, with 100 active community projects, delivery of the one-millionth recycling cart, and reaching 100-million families in over 2,000 communities.

The Recycling Inclusion Fund

In 2020, 3M provided the initial investment of $100,000 to the Recycling Partnership's Recycling Inclusion Fund, which will direct grant dollars toward investment in recycling infrastructure and education, training, and leadership modules for communities, and research into the challenges that prevent a more equitable recycling system within the U.S.

Closed Loop Partners

3M initiated a relationship with Closed Loop Partners in 2014 through a $5 million commitment to invest in the collaborative social impact fund that gives cities access to the capital needed to build comprehensive recycling programs and to build access to recycled materials for use in packaging.

In 2020, 3M sponsored Closed Loop Partners' Advanced Recycling Investor Roadmap Project. The 3M grant allowed Closed Loop Partners to expand its project scope and include an evaluation of plastic feedstock in the U.S. and Canada for advanced recycling technology companies. In November 2020, Closed Loop Partners released a first-of-its-kind public tool, the U.S. and Canada Recycling Infrastructure and Plastic Waste Map, which brings to light the diversity of plastic waste and the volumes and flows by county and state. It also highlights critical opportunities to recapture valuable plastics and re-incorporate them into manufacturing supply chains.

The Recycling Partnership is driving systemic change in our nation's recycling system.

3M's support of the project has also enabled Closed Loop Partners to evaluate additional technology companies as part of this project, increasing the number of technology processes evaluated from six to 10. This has allowed Closed Loop Partners to evaluate a broader range of technology processes in the advanced plastics recycling sector, enabling a financial, environmental, and human health impact analysis of these companies. This work supports the development of the Investor Roadmap, which will be made public in early 2021.

Water conservation and quality in our communities

In our communities, our sites aim to conserve water. For example, the San Luis Potosí site captures and filters rainwater for some of their on-site services. In 2016, the 3M site in Juarez, Mexico, worked with the Juarez City Water Department to receive treated wastewater for on-site services.

By 2017, nearly

80%

of total water consumed in three out of five buildings was treated or recycled water.

In 2020, the site completed the remaining two buildings and expects to save 10 million liters (2.6 million gallons) of water.

See additional information in the **San Luis Potosí** site spotlight.

Packaging in our communities

Sustainable Packaging Coalition®

The Sustainable Packaging Coalition (SPC) is a membership-based collaborative led by an independent nonprofit organization that believes in the power of industry to make packaging more sustainable. 3M's commitment to the SPC mission includes representation on the executive committee. The executive committee provides perspective and expertise on industry trends, acts as ambassadors for the SPC, and provides strategic guidance on issues related to SPC goals and activities.

Sharing knowledge

Collaboration has many forms. Our packaging team is committed to sharing its knowledge with the external community to create a collaborative network that will accelerate packaging circularity. This is demonstrated by engaging and participating in industry panels as well as guest lectures at universities and colleges. In 2020, we collaborated via online or virtual meetings. For example, 3M Chief Sustainability Officer Gayle Schueller participated in a panel called "Setting Long-Term Sustainability Goals and How to Get There" as part of the American Packaging Summit. She discussed packaging's role in sustainable business growth and reducing environmental impact.

Waste reduction in our communities

3M Impact

3M Impact is a skills-based service program where employees lend their business skills, experience, and energy to make a difference in global communities, while also developing leadership, problem-solving, and interpersonal communication skills. Every 3M Impact project aligns to our Strategic Sustainability Framework of Science for Circular, Science for Climate, or Science for Community.

In 2020, prior to the global spread of the COVID-19 virus, a 3M Impact team worked with Mexico Recicla, the largest solid waste management organization in Mexico City. Mexico Recicla delivers comprehensive and strategic solutions that advance the circular economy and create economic, environmental, and social impact in the Americas. The 3M Impact team assisted with the development of a two-year action plan to help the organization become truly circular and a B-certified enterprise. 3M helped amplify the Mexico Recicla story through the eyes of their stakeholders to advance their social, economic, and environmental impact.

To learn more about 3M Impact, see the **Communities** section.

Looking forward

We will continue applying our scientific expertise to improve the lives of our employees, our customers, and people throughout the world. Our Strategic Sustainability Framework directs our efforts to areas where we can make the biggest impact.

Within the Science for Circular pillar of this framework, we will continue to focus on initiatives that will create a more circular economy, driving solutions in our operations, in our products, and in communities everywhere.

In our operations, 3M will continue to mitigate waste to landfill through the reduction, reuse, and recycling of our surplus materials; act on key projects to increase global water quality and efficiency, aligned to our 2021 commitments; and work with suppliers to reduce or reuse surplus materials from packaging of our raw materials.

We will continue to adapt our Packaging Sustainability Roadmap.

For our customers, we will develop and launch products that will help them reach their sustainability goals by increasing our use of recycled raw materials. We will create reusable, renewable, and/or recyclable products and packaging, aligned to our 2021 commitment. We will continue to implement our packaging roadmap throughout 2021 and beyond to improve circularity in our packaging. We will help reduce our customers' water usage and waste through the use of our products.

We will continue to adapt our Packaging Sustainability Roadmap to support emerging global policies and regulations, such as single-use plastics and Extended Producer Responsibility (EPR) as it relates to packaging. EPR is an environmental policy approach in which a producer's responsibility for a product or package is extended to the post-consumer stage of its life cycle.

Within our communities, we will continue to focus on advocacy, support, and collaborations in our efforts to fuel a global circular economy. 3M will continue to focus efforts on improving water availability and quality through collaboration with water leaders in communities where 3M operates.

Get updates and learn more about our ongoing work aligning to the **3M Strategic Sustainability Framework**.

Climate and energy

Science-based innovation to address climate change and conserve energy

Our commitment

3M has long been a leader in addressing both challenges and opportunities presented by climate change and energy conservation.

Our proactive leadership is best defined by five areas of action:

- Executive-level commitment to these important topics and our related principles, policies, commitments, and risk-mitigation planning efforts, including membership in **RE100**, the global corporate initiative committed to 100% renewable electricity by 2050
- Industry-leading efforts to measure and reduce our own greenhouse gas (GHG) emissions
- Extensive public policy engagement on both climate change and energy conservation
- A decades-long track record of improving energy efficiency at our sites
- Serving our customers through a wide range of innovative products that help them improve energy efficiency and reduce their greenhouse gas emissions

Executive-level commitment

We are committed to innovate to decarbonize industry, accelerate climate solutions, and improve our environmental footprint. This commitment is part of the Science for Climate pillar of our Strategic Sustainability Framework.

As a science-based company, 3M uses the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard to set GHG emission reduction targets. For this reason, we are acting on the findings of the Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C to set our goals and actions.[1] This report, prepared by 91 authors from 40 countries and based on over 6,000 scientific references, finds that limiting global warming to 1.5°C (2.7°F) above pre-industrial temperatures would require "deep emissions reductions" and "rapid, far-reaching and unprecedented changes in all aspects of society." Achieving this goal also would "reduce challenging impacts on ecosystems, human health, and well-being."

[1] *Special Report on Global Warming of 1.5°C (Report). Incheon, South Korea: Intergovernmental Panel on Climate Change (IPCC). 7 October 2018.*

Public policy engagement

3M supports the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for helping businesses disclose climate-related financial information. We recognize the need for increased focus on and transparency of financial risks related to climate change. Our climate risk process, as described in the following section, includes disclosures recommended by TCFD.

3M is actively engaged in public policy development to address climate change concerns.

3M endorses voluntary approaches to GHG emissions management. Any mandatory GHG emission reductions should be developed through international negotiations and follow these policy principles:

- Apply broadly to countries or groups of countries and GHG emission sources
- Be guided by science-based decision-making
- Utilize a consistent, market-based approach
- Encourage investment and protect intellectual property to facilitate technology breakthroughs
- Include provisions for carbon emissions trading and/or alternative investment and compliance programs
- Provide full credit for early reductions in GHG emissions
- Balance multiple country-level priorities, including energy reliability and independence, national security, and economic growth and employment
- Include provisions that promote the efficient allocation of emissions reductions and assure all sectors contribute to reduction targets, with the effect of allowing fair competition and avoiding market distortions within industrial sectors or across national boundaries

Photo credit: ©FAO/Alessia Pierdomenico

3M is actively engaged in public policy development to address climate change concerns. In addition, we've remained committed to the Intergovernmental Panel on Climate Change (IPCC) since 2005.

Risk-mitigation planning

Severe weather and long-term trends could affect 3M's operations and supply chain. To address these and other risks, 3M maintains a formal Enterprise Risk Management Analysis to review enterprise-level risk. Additionally, 3M has a Business Continuity and Planning Process as well as a Corporate Crisis Management Program to coordinate the efforts of local crisis management teams maintained at each 3M site and subsidiary.

Corporate and local plans consider the risk of natural disasters, infectious disease, employee safety, protection of assets, customer service, and other business continuity requirements. See **3M's Annual Report on Form 10-K, Item 1A** for risk factors applicable to the company. Additional details on our climate risk process can be found in the following table.

Climate risk process	
Governance	The highest level of climate risk governance is the responsibility of the **3M Science, Technology & Sustainability Committee** of the Board of Directors. The committee oversees the twin demands of developing products to meet the ever-changing needs of our customers while ensuring that those products cause no harm to people or to our planet. The committee's roles and responsibilities include reviewing the company's policies and programs on sustainability and assisting the Board in identifying and analyzing significant emerging science and technology, disruptive innovations, sustainability, materials vulnerability, and geopolitical issues that may impact the company's overall business strategy, global business continuity, and financial results. Specific to enterprise risk, the 3M Audit Committee of the Board of Directors has the responsibility to discuss policies and procedures with respect to risk assessment and risk management, the company's major risk exposures, and the steps management has taken to monitor and mitigate such exposures. For the purpose of discussing climate-related risks, "substantive financial impact" means an event or circumstance that would individually or in the aggregate have a material adverse effect on the consolidated financial condition or operations of 3M and its subsidiaries and affiliates taken as a whole.
Integration into enterprise risk	3M operates in more than 70 countries and derives approximately 60% of its revenues from outside the United States. Our company's results are impacted by the effects of, and changes in, worldwide economic, political, regulatory, international trade, and other external conditions. Climate change, as well as related environmental and social regulations, may negatively impact 3M or its customers and suppliers in terms of availability and cost of natural resources, sources and supply of energy, product demand and manufacturing, and the health and well-being of individuals and communities in which we operate. Additional details on our enterprise risk assessments can be found in the **Enterprise risk** and **3M Value Model** sections of this report and in our **Annual Report on Form 10-K, Item 1A**.
Timeframes	Short-term, 0–1 years Medium-term, 1–5 years Long-term, 5+ years
Board oversight	3M's Science, Technology & Sustainability Committee of the Board of Directors assesses and advances strategic growth areas, long-term investments, and inspired innovation opportunities. The 3M Audit Committee of the Board of Directors discusses policies and procedures with respect to risk assessment and risk management, the company's major risk exposures, and the steps management has taken to monitor and mitigate such exposures.
Frequency on Board's agenda	3M's Science, Technology & Sustainability Committee of the Board of Directors meets with the frequency, and at intervals, it determines necessary to carry out its duties and responsibilities, but in any case, not less than three times a year. The Audit Committee of the Board of Directors meets with the frequency, and at intervals, it determines necessary to carry out its duties and responsibilities, but in any case, not less than four times a year.
Corporate officer's oversight	In addition to the members of the 3M's Science, Technology & Sustainability Committee of the Board of Directors, the 3M CEO has the highest level of direct responsibility for assessing and managing climate-related issues. The CEO carries on the company's history of proactive leadership in addressing both the challenges and the opportunities presented by climate change and energy conservation.

Climate risk process		
Identification and assessment	Managing risk requires integrating a multidisciplinary, company-wide risk identification, assessment, and management process. The vice president and general auditor, Corporate Auditing, whose appointment and performance is reviewed and evaluated by the Audit Committee of the Board of Directors, is responsible for leading the formal risk assessment and management process within the company. Climate-related risk is also assessed as part of our analysis of physical risk to our manufacturing sites. For example, our analysis of physical risk to our manufacturing sites from sea level rise is based on modeling for 1.5°, 2°, and 4°C temperature increases. Based on our analysis of physical risks to individual 3M manufacturing sites, none are deemed to create overall enterprise risk due, in part, to the diversity of 3M's global capabilities and our robust business continuity plan.	
Frequency of monitoring	3M continually evaluates aspects of risk. The vice president, general auditor, consulting with the company's senior management, annually assesses the major risks facing the company and works with those executives responsible for managing each specific risk. The vice president, general auditor periodically reviews with the Audit Committee of the Board of Directors the major risks facing the company and the steps management has taken to monitor and mitigate those risks. The Audit Committee of the Board of Directors meets not less than four times a year. 3M will assess climate-related risks as a part of our analysis of physical risk to our manufacturing as climate modeling advances and as acquisitions or divestitures require. 3M's business continuity planning process and our Corporate Crisis Management Program review and help manage risks facing the company's physical operations and supply chains. Programs are reviewed at least annually. In addition, the 3M Science, Technology & Sustainability Committee of the Board of Directors meets not less than three times a year. In addition to our Board of Directors' Committees, climate risk is reviewed throughout the year within our executive-level Innovation Steering Committee and our Science for Climate Leadership Team.	
Risk factors	**Regulatory**	3M continually evaluates aspects of regulatory risk during regular business interactions, including new product development and continuous business improvement. 3M's operations are affected by national, state, and local laws around the world. 3M has made (and plans to continue making) necessary expenditures for compliance with applicable laws. 3M is also involved in remediation actions relating to environmental matters from past operations at certain sites.
	Technology	3M's four business groups bring together common or related 3M technologies, enhancing the development of innovative products and services and providing for efficient sharing of business resources. We have operations in over 70 countries, bringing together a combination of our 51 unique Technology Platforms to produce over 55,000 products, which are sold in nearly every country. Risks related to technology would be identified and mitigated through our New Technology Introduction (NTI) framework, New Product Introduction (NPI) process, and continuous improvement program. This product diversity enables 3M to identify unique solutions to help solve our customers' challenges. In 2020, 3M invested $1.88 billion in research and development to build upon our existing technologies to find innovative solutions to our customers' challenges. This unique combination of diversity and investment enables 3M to remain on the cutting edge of science while supporting our customers' future needs as the climate changes. In addition, since 2019, we require each new product entering our NPI process to have a **Sustainability Value Commitment** demonstrating how it drives impact for the greater good.

Climate risk process		
Risk factors (Cont.)	**Legal**	The company's future results may be affected by various legal and regulatory proceedings and legal compliance risks, including those involving product liability, antitrust, intellectual property, environmental, the U.S. Foreign Corrupt Practices Act and other anti-bribery and anti-corruption laws, and other matters. The outcome of these legal proceedings is often difficult to reliably predict. For a more detailed review of this topic, see the discussion in Note 16 "Commitments and Contingencies" within the Notes to Consolidated Financial Statements in the company's **Annual Report on Form 10-K**.
	Market	Results are impacted by the effects of, and changes in, worldwide economic, political, regulatory, international trade, and other external conditions. 3M operates in more than 70 countries and derives approximately 60% of its revenues from outside the United States. The company's business is subject to global competition and geopolitical risks that are beyond its control, such as disruptions in financial markets, economic downturns, government actions impacting international trade agreements, imposing trade restrictions such as tariffs and retaliatory countermeasures, government deficit reduction and other austerity measures in specific countries or regions, or in the various industries in which 3M operates.
	Reputation	Around the world, customers rely on 3M to provide innovative solutions to advance companies, enhance homes, and improve lives. We are defined by more than just what we make — we are defined by how we do business: the 3M Way, always striving to make the right choices for our company and our customers and protecting our reputation in all we do in accordance with our **Code of Conduct**.
	Physical (acute and chronic)	Every year, local incident management teams at every 3M site and international subsidiary must review and update their Business Resilience Plan to reflect current conditions. They also perform a tabletop incident response exercise. 3M Corporate Auditing and Corporate Security monitor site compliance with the Corporate Crisis Management Program. For more information, see the **Enterprise risk** section.
	Upstream	3M depends on various components, compounds, raw materials, and energy (including oil and natural gas and their derivatives) supplied by third parties for the manufacturing of 3M products. Supplier relationships have been and could be interrupted in the future due to supplier material shortage, climate impacts, natural or other disasters, and other disruptive events, or be terminated. Risks from upstream suppliers are identified at the product level through the **New Product Introduction (NPI)** and continuous improvement processes at 3M. An on-site assessment of a supplier may be conducted by 3M or a third party, and any deficiencies are ultimately corrected through a Supplier Responsibility Code Corrective Action Preventive Action (CAPA) process. 3M mitigates supply chain risks through a variety of management practices, including multisourcing raw materials, pre-qualifying potential outsource manufacturers, and maintaining appropriate stocks of raw materials and contingency plans with key suppliers to assure supply to 3M in the event of supply disruption.
	Downstream	Risks from downstream product use are identified at the product level through the **life cycle management (LCM)** process at 3M, which evaluates the planned use and disposal of 3M products and identifies hazards and risks associated with the use and disposal of 3M products. Mitigation of these risks is highly diverse and product-specific.

Climate risk process		
Financial risks	At 3M, we continually evaluate our approach to opportunity and risk. We believe the concept of risk appetite and tolerance is an essential component of strategic planning. This includes broad risk oversight by the 3M Board of Directors and its committees, with committee-level risk analyses reported to the full Board and executive-level internal vice president, general auditor and chief ethics & compliance officer appointed by and reporting directly to the Audit Committee of the Board of Directors. 3M has operations in over 70 countries, with regionalized supply chains that enable more localized and diversified production of our products. This helps reduce our risk from local climate impacts on our operations. 3M's four business groups bring together common or related 3M technologies, enhancing the development of innovative products and services and providing for efficient sharing of business resources. Our operations bring together a combination of our 51 unique Technology Platforms to produce over 55,000 products, which are sold in nearly every country. We believe this governance of risks by Board committees, who share information with the full Board, is appropriate for a diversified technology and manufacturing company like 3M. **3M's Annual Report on Form 10-K**, Item 1A outlines risk factors applicable to the company.	
Financial opportunities	Financial opportunities include products and services, and resource efficiency. Access to dependable energy supplies and energy efficiency directly affects all businesses and communities. Energy usage and climate concerns require systemic change. 3M is a science-based, diversified technology company providing innovative solutions to address these and other physical climate opportunities.	
Metrics	We have established key sustainability metrics to measure and manage climate risk that go beyond compliance to thinking holistically about our operations and products. We report on historical periods to allow for trend analysis with a clear description of the methodologies we use to calculate or estimate limitations and assumptions.	
Principles	**Science for Climate goals**	
	Relevance	Clearly define boundaries
	Completeness	Strive to calculate and report data coverage to 99% of inventory for Scope 1 and Scope 2 GHG emissions. We will continue to develop and support advances in Scope 3 calculation methodology.
	Consistency	Base our data on approved methodology
	Accuracy	Develop corporate systems and auditing procedures
	Transparency	Report on emissions and activities in a way that is relevant to stakeholders

Science for Climate goal

Improve energy efficiency, indexed to net sales, by 30% by 2025

toward goal of 30% improvement 2015 2025 goal

Energy-efficiency improvements help reduce energy use, energy-associated costs, and GHG emissions. 3M energy management goes beyond energy-efficiency efforts in factories and buildings. It is a team effort guided by the global **3M Corporate Energy Policy** and coordinated by the Corporate Energy Management Team, with oversight by 3M's corporate energy leader and engineering director and active support from the CEO.

3M has taken a broad approach to managing our energy footprint, which includes evaluating the impact of our products, manufacturing processes, equipment, and sites, as well as by reducing the energy footprint of our existing manufacturing and administrative sites. In addition, we actively share information about our energy management program with external stakeholders, such as suppliers, customers, and other interested organizations.

Science for Climate goal

Increase renewable energy to 50% of total electricity use by 2025

toward goal of 50% increase 2015 2025 goal

In 2019, we achieved our 2025 goal by surpassing 25% renewable electricity. As part of our strategic focus on empowering Science for Climate, we increased our interim target from 25% to 50% renewable electricity by 2025, toward our ultimate goal of 100% renewable electricity by 2050.

In 2019, we joined RE100, a global, renewable energy leadership initiative, led by The Climate Group in partnership with CDP (formerly the Carbon Disclosure Project), that brings together influential businesses committed to sourcing 100% renewable electricity for their worldwide operations by 2050.

Science for Climate goal

In 2015, 3M set a goal to ensure GHG emissions are at least 50% below our 2002 baseline by 2025. 3M's new commitment is to reduce Scope 1 and 2 market-based GHG emissions from our 2019 baseline by at least 50% by 2030, 80% by 2040, and be 100% carbon neutral in our operations by 2050.

*ahead of goal of 50% below baseline** 2002 2025 goal

** 2002 baseline year*

3M's actions to reduce our GHG emissions began in 2000. We will continue to work collaboratively with customers, governments, and global partners to reduce emissions beyond 3M's operations through continued invention and introduction of innovative products and solutions.

Science for Climate goal

Help our customers reduce their GHGs by 250 million tons of CO_2 equivalent emissions through the use of 3M products by 2025

toward goal of 250 million metric tons 2015 2025 goal

While 3M has made significant GHG emission reductions across our global operations, we realize we can make greater contributions by helping our customers reduce their GHG emissions through the use of our products.

Clean Air Asia

We completed the first year in our five-year partnership with international non-governmental organization Clean Air Asia, collaborating on science-based air quality solutions for New Delhi, India, and Metro Manila, Philippines. 3M will be assisting Clean Air Asia in its efforts to assess baseline air quality conditions, design capacity-building programs for air quality management, implement awareness and education campaigns, develop clean air action plans with selected city and district governments, and measure the resulting impact on air pollution levels.

According to the World Health Organization (WHO), air pollution causes seven million premature deaths each year. The health impact of poor air quality is particularly notable in the Southeast Asia region, where people in 99% of cities are exposed to pollution levels that exceed WHO guidelines.[1] Clean Air Asia with 3M's support aims to create more livable cities with cleaner air in Asia.

[1] *World Health Organization. https://www.who.int/health-topics/air-pollution#tab=tab_1*

Our actions

In 2020, 3M improved energy efficiency, indexed to net sales, by 8.73% toward a goal of 30% by 2025.

Energy management

3M reviews its Strategic Energy Management Plan annually to prioritize programs and meet global goals. The plan incorporates input from stakeholders, including manufacturing leaders, site managers, operations employees, and executive management. Goals of the plan include continuously improving results, leveraging engineering expertise and advances, driving site-level efficiency improvements, maintaining top management support, and protecting 3M's reputation.

In 2020, the **3M Corporate Energy Policy** was updated to include our commitment to renewable energy. 3M also released a new internal engineering manual, Energy Design Requirements and Guideline. This manual provides information for incorporating energy efficiency into project designs.

3M maintains a centrally coordinated investment fund to mitigate risk and facilitate energy efficiency via engineering to align with our **Strategic Sustainability Framework**.

Energy engagement

Public speaking engagements and partnerships are integral elements of the Strategic Energy Management Plan. In 2020, 3M experts spoke at several energy industry conferences, including the Association of Energy Engineers (AEE), CLEAResult, Alliance to Save Energy, Greater Toronto Airports Authority (GTAA) Partners in Project Green, Canadian Manufacturers & Exporters' 2020 Energy Forum, and the SME Consortium organized by Toronto and Region Conservation Authority.

3M is a partner of the U.S. Department of Energy (DOE) Better Plants®, part of the DOE's Better Buildings® Initiative, and is a 2020 Better Plants Challenge Energy and Water Goal Achiever. The initiative is designed to drive leadership in energy innovation. Through Better Buildings, DOE works with leaders in the public and private sectors to make the nation's homes, commercial buildings, and industrial plants in the U.S. more energy efficient by accelerating investment and sharing successful best practices.

We are also one of 30 U.S. businesses and organizations that have formed the Sustainable Growth Coalition (formerly the Minnesota Sustainable Growth Coalition). In 2020, the coalition adopted Transmission Guiding Principles to foster transformational change around our energy grid and decarbonization, better supporting organizations with significant clean energy goals that exceed state and U.S. federal policy.

A focus on energy from naturally replenishable sources

3M's headquarters in St. Paul, Minnesota, is powered by 100% renewable electricity. In 2019, 3M became the largest company in Xcel Energy, Inc.'s service area across eight Western and Midwestern states to make a comparable achievement. 3M's headquarters is a 409-acre campus home to 30 buildings and research labs. In 2019, we achieved our 2025 goal by surpassing 25% renewable electricity. As part of our strategic focus on empowering Science for Climate, we increased our interim target from 25% to 50% renewable electricity by 2025, toward our ultimate goal of 100% renewable electricity globally by 2050.

3M's headquarters in St. Paul, Minnesota, is powered by 100% renewable electricity.

Our renewable efforts don't stop at our headquarters location. All 3M sites actively seek alternative energy sources, including active combined heat and power, solar, wind, and other projects like utilized excess steam. For example, in 2020, our Juarez, Mexico site installed a 500kw system with over 1,500 solar panels, which powers around 20% of the building's energy usage. Our Panama Pacifico site began purchasing 100% renewable energy for their operations. Work began on securing renewable energy contracts for 3M Canada's head office in London, Ontario, and for all of 3M's operations in Poland, including a superhub in Wroclaw, one of 3M's biggest global production centers; sites in Rabka and Janinów; the 3M Global Service Centre in Wroclaw; and 3M Poland headquarters in Kajetany. Both Ontario and Poland renewable energy purchases are effective at the start of 2021.

While 3M takes actions to help convert its operations to renewable electricity sources, we continue to support the global renewable energy sector by producing solutions for customers that help improve the reliability and efficiency of renewable electricity, including solar and wind. Read more about 3M's products in the feature story **Keeping wind turbines in shape with coatings and tape**.

ISO 50001 and SEP 50001™ certification

The internationally recognized ISO 50001 standard and the DOE's Superior Energy Performance 50001™ (SEP 50001™) certification program help 3M sites become attuned to recognizing and seizing opportunities to increase energy efficiency in site operations and move from delivering energy projects in a loosely organized fashion to a structured system of management. By integrating the systemic ISO-based framework of "plan-do-check-act" for the management of energy in on-site operations, our sites have seen savings in energy costs and consumption, expansion of employee engagement, and increased visibility to the tracking of site energy performance. In 2020, we pivoted to virtual ISO 50001 and SEP 50001™ audits. 3M has been busy increasing its ISO 50001 and SEP-certified profile, with 45 sites (up from 31 sites in 2019) certified globally, and 31 sites certified to SEP Certification.

Identifying ways to save energy

Prior to the COVID-19 pandemic, employees conducted energy walk-throughs, held energy treasure hunts, collaborated with the corporate team or external partners, and integrated employee ideas at sites to find conservation opportunities. Globally, 3M sites identified approximately $2 million in opportunities over the year and

delivered

$17M

in energy cost savings in 2020.

Building, maintaining, and executing our energy project hoppers continues to be a priority at 3M.

Throughout 2020, we conducted thorough energy audits of 14 sites throughout the U.S. and EMEA, focusing on three main objectives: improve energy efficiency, increase renewable electricity portfolio, and decarbonization of the site. These energy audits also considered financial benefits.

Our energy team worked with 3M engineering to assure energy efficiency was considered from the design phase of a new building constructed in Brockville, Canada, built to produce N95 respirators which will assist in the fight against COVID-19.

Energy Excellence Awards

The 3M Energy Excellence Awards honor individuals and teams that incorporate the goals of the Corporate Energy Program in engineering projects. The nominated projects and individuals actively demonstrate their commitment to include energy efficiency in the design of projects, in equipment selection, or in the use of alternative energy supplies. The award is one of global recognition within the 3M engineering community. In 2020, out of a total of 22 projects, four awards were given to individuals from the 3M Industrial Minerals Products Division site (IMPD) in California, United States; Tuas, Singapore; St. Paul, United States; and Cottage Grove, United States.

2020 external energy recognition

- Mike Rogers, plant engineering specialist from the site in Cottage Grove, Minnesota; and Terry McMichael, plant engineering specialist, manufacturing, from the site in Cynthiana, Kentucky, won the Individuals Taking Energy Action in Manufacturing (ITEAM) Prize from the U.S. Department of Energy (DOE).
- 3M Canada received the Canada Region Corporate Energy Management Award from the Association of Energy Engineers®
- Steven Toh, 3M facility manager of Tuas, Singapore, was selected to receive the Association of Energy Engineers® Asia Pacific Rim Region Energy Engineer of the Year Award for 2020 in recognition of his outstanding work in energy.
- Frederick Pask, EMEA energy specialist, was selected to receive the Association of Energy Engineers® Western Europe Region Energy Engineer of the Year Award for 2020 in recognition of outstanding work in energy.

Global energy use

MWh

Indexed global energy use

MWh per MM $USD net sales

Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions

Since 2002, 3M reduced Scope 1 GHG emissions by 78.6%, providing a direct and immediate reduction of our carbon emissions. During this same timeframe, we achieved a

71.1%

reduction in absolute Scope 1 and 2 location-based GHG emissions.

Since 2002, the 3M EHS Laboratory has calculated 3M's GHG inventory in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard. The 3M EHS Laboratory maintains an accreditation to ANSI/ISO/IEC 17025 through A2LA — a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC MRA).

Although it is not possible to put 3M's GHG inventory methodology on the lab's scope of accreditation, our calculation methodology has been improved by incorporating several quality system elements from the ANSI/ISO/IEC 17025 Standard, including:

- Defined responsibilities and interrelationships of all key staff
- Documented key personnel qualifications
- Control over quality system documents and procedures
- Control of records
- Corrective and preventive action system
- Internal audit program
- Documented and approved calculation procedures

Greenhouse gas emissions, Scope 1 and Scope 2

Million metric tons CO_2 equivalents, absolute

For methodology, please refer to the about report section: base year and other adjustments, and greenhouse gas metric table.

Indexed greenhouse gas emissions, Scope 1 and Scope 2

Million metric tons CO_2 equivalents per MM $USD net sales

For methodology, please refer to the about report section: base year and other adjustments, and greenhouse gas metric table.

Every year, 3M calculates our GHG inventory according to approved internal procedures that are updated as needed to correspond with current calculation methodologies. However, whenever a methodology change is implemented, 3M will, wherever possible, recalculate the prior year's GHG inventories to assure that past and current-year GHG inventories are comparable. Where this is not possible, 3M will either call this out or assure that the difference is not material. These quality system elements and procedures, coupled with a robust internal and third-party review of our emissions, help 3M's GHG inventory to be aligned with the core principles of relevance, completeness, consistency, accuracy, and transparency. GHG emission reductions are achieved through a variety of methods: improving process and equipment efficiency, upgrading equipment, reducing our demand for energy use, increasing our use of renewable electricity, and implementing and maintaining emission control technologies. These methods, and more, are integral to the company's overall success and assist us with the challenge of helping to address global climate change concerns. For an example of GHG emissions reduction see the **Zwijndrecht** site spotlight.

GHG emissions attributable to our suppliers and customers (Scope 3)

3M has been developing our Scope 3 GHG emissions inventory since the WRI and the WBCSD published the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard in September 2011. Even before its release, 3M participated in the pilot of the standard, which includes requirements for calculating GHG emissions for 15 separate categories of emissions sources, both upstream and downstream of our own operations.

According to the GHG Protocol Scope 3 Calculation and Guidance, a company that produces intermediate products with many potential downstream applications, each with a potentially different GHG emission profile, cannot reasonably estimate the downstream emissions associated with the various end uses of these products. The methodology did not even exist to calculate full Scope 3 emissions for a company with 3M's complexity, including 55,000-plus heavily diversified products across a large variety of industries and potential end-use cases.

Rooted in scientific exploration and the belief that every problem has a solution, **3M embarked on a journey to calculate these downstream Scope 3 GHG emissions**. We base our decision-making on sound science, and in 2019, we developed methodologies to calculate our emissions for Scope 3 Categories 9-12.

The first step was compiling the data for the more than 55,000 3M products, including the quantity sold, the size or mass of the product, and the use applications. Next, working with Anthesis Group, we analyzed data from the products to prioritize those with a material Scope 3 GHG footprint and identified 300 unique categories for further analysis based on the composition and use of each product. Once emission factors were determined for each use scenario,we worked to calculate estimated Scope 3 emissions for each of the 300 product categories. Based on the bestavailable science, estimated Scope3 data uncertainty is ±50% (WRI/WBCSD, GHG Protocol CorporateValue Chain (Scope 3) Accounting andReporting Standard, 2011).

GHG emission reductions are achieved through a variety of methods.

In 2020, our focus shifted to refining data accuracy and third-party assurance. Through these efforts, we identified our next priorities, and this year, we have expanded our Scope 3 emissions reporting to include Category 9 in this report. Moving forward, increased customer collaborations will enable 3M to better understand and help reduce emissions from processing, use, and end-of-life treatment. This will help us advance the science and further improve the accuracy of our estimations for Scope 3 Categories 10-12. We plan to report on results from these efforts, as well as additional planned actions, in future communications.

Evaluating customer GHG emissions reductions

To track progress toward our 2025 GHG customer goal, 3M has a process in place to develop reasonable estimates for avoided emissions associated with the use of select 3M products. This estimation procedure is based on the ISO 14064-2 standard for determining GHG emissions reductions. It provides a framework for the estimation of emissions from the 3M product scenario (referred to as the "project scenario") in relation to a baseline scenario.

We start by defining the boundary of the 3M product scenario as extraction from nature through the end of the product use phase (product end-of-life or disposal is included where reliable information is available). The GHG emissions for this scenario are then estimated using high-level estimates and average data. For example, manufacturing emissions may be determined based on the average energy use per pound of all products produced at a manufacturing site, rather than by determining the emissions through detailed calculations using product-specific information.

The same boundary is then used for the estimation of GHG emissions for the baseline scenario. Because the data sources may be different than the 3M product scenario, we apply conservative assumptions as needed, where "conservative" is defined as a choice that results in the minimum GHG emissions for the baseline scenario. For example, if emissions data is not available for the production of a material included in the baseline scenario, we assume the emissions for this material to be zero. In some cases, there is no equivalent to the 3M product. In these cases, the baseline scenario is the absence of the 3M product entirely. The result is a comparison that conservatively estimates the potential impact of the 3M product.

Due to the estimated nature of the data used, the uncertainty for these studies is ±50%, which approximates data of fair to good quality as defined in the WRI/WBCSD Product Life Cycle Accounting and Reporting Standard Quantitative Inventory Uncertainty Guide.

According to our calculations, in 2020 alone, our customers avoided emitting

16.6M

metric tons

of CO_2 equivalents through use of select 3M product platforms

as calculated in accordance with ISO 14064-2 and 3M-developed procedures. Since 2015, this has resulted in an avoidance of nearly 75 million metric tons of CO_2 equivalent emissions through the use of select 3M product platforms. This avoidance represents only a portion of our product portfolio. Various films and food safety products are examples of the select products included in this evaluation. The list will continue to expand as a result of the **Sustainability Value Commitment** requirement.

Air quality management

An important component of 3M's sustainability strategy is our commitment to improving air quality globally.

As a company that uses many solvent-based materials, 3M inherently releases volatile organic compounds (VOCs) from many of our manufacturing processes. Because of this, many of our sites require permits with rigorous VOC tracking requirements. Even where tracking is not required from a regulatory perspective, 3M voluntarily tracks VOC usage and emissions from major sources of emissions in order to identify further opportunities for reduction. 3M has developed internal programs to minimize its VOC emissions.

We track and report emissions based on raw material usage, engineering estimates, and stack test data.

For many 3M manufacturing processes, nitrogen oxides (NOx), sulfur dioxide (SO_2), carbon monoxide (CO), hazardous air pollutants (HAPs), persistent organic pollutants (POPs), and particulate matter (PM) are emitted as products of combustion. These pollutants, which are listed on many environmental permits for specific site operations, are tracked and reported externally, where required, by federal, state, or local regulations for individual sites. 3M internally tracks all fuel usage and calculates the combustion emission rates using accepted emission factors.

Global volatile organic compound (VOC) emissions

Metric tons per MM $USD net sales

Main VOC by source type

- 3M's VOC emissions are primarily attributed to coating lines
- Reactors and mixing are also significant sources of VOC emissions

VOC by site

- 90% of our sites emit less than 100 tons per year VOC
- 35% of our sites emit less than 1 ton per year VOC

Implementing and maintaining pollution control

3M has made significant progress in reducing air emissions — at the source and by improving process efficiencies. Where emissions cannot be reduced within the process, 3M installs and maintains air emission control equipment as required by federal, state, and local regulations. We evaluate all equipment options, select those that are the most environmentally effective and cost-efficient, and properly operate emission control equipment. Technologies include thermal oxidization, solvent recovery, carbon adsorption, biofiltration, electrostatic precipitators, baghouses, scrubbers, and cyclones.

Ozone depleting substances

The Montreal Protocol is the first worldwide agreement designed to protect human health and the environment against the adverse effects of the depletion of the stratospheric ozone layer. The agreement identifies the list of ozone depleting substances (ODS) that are targeted for control practices, reductions, or total phaseouts and provides a phaseout schedule. In addition, some countries have established regulations regarding the management of refrigeration appliances.

3M has established **requirements** that provide a framework for how 3M operations are to manage their refrigeration appliances containing ODS, in the context of applicable international protocols, local regulations, and current and future economic impacts. These requirements include conformance to the Montreal Protocol, when applicable.

Clean Air Asia partnership

3M partnered with Clean Air Asia, the international non-governmental organization focused on science-based air quality solutions for Delhi, India, and Manila, Philippines. For 2020, the focus in both cities was to develop local government capacity for managing air quality and addressing emission sources through developing, in Manila, and updating, in Delhi, science-based clean air action plans.

In Manila, this involved collaboration with the Manila City government to install particulate matter monitoring sensors in selected locations around the city, share the resulting information with policymakers and the public, as well as:

- Understand current air quality levels
- Build an emission inventory from fuel combustion sources from industrial, mobile, residential, and commercial activities
- Map health data on air pollution impacts on mortality and morbidity in the city of Manila

The data showed that improving the air quality in the city can contribute to the continued improvement of the health of its citizens, and it became the basis of the city of Manila's clean air action plan. The plan identified priority control measures for the city's pollution sources.

In Delhi, Clean Air Asia studied the air quality trends and air pollution sources in 13 hot spots with the Delhi Pollution Control Committee (DPCC) as its partner. This assessment was based on perception surveys, one-on-one consultations with relevant stakeholders, and analysis of scientific data and information from the DPCC. Based on the takeaways and analysis that emerged from the hot spots assessment, the project identified strategic interventions for enhancing air quality for implementation by the DPCC, foremost of which was to reduce pollution from motor vehicles, road dust, and garbage burning.

Finally, as part of the project's knowledge-sharing component, 3M, the Association of the Indonesia Municipalities, and Clean Air Asia co-organized a peer-to-peer learning session for over 100 participants in Asia and the U.S. Clean Air Asia continued to build awareness and engagement throughout the year.

3M has made significant progress in reducing air emissions — at the source and by improving process efficiencies.

Looking forward

Climate change is one of the greatest global challenges we face as a society, and we all must take action now — for our climate and our communities. Our Strategic Sustainability Framework directs our efforts to areas where 3M can make the biggest impact.

Within the Science for Climate pillar of this framework, we will continue to focus on innovating to decarbonize industry, accelerating global climate solutions, and improving our environmental footprint. We'll continue to drive climate solutions in our operations, in our products, and in communities around the world. We will use the IPCC AR6 Climate Change 2021: The Physical Science Basis Report to inform our climate strategy.

In our operations, we will work toward our commitment to achieve carbon neutrality by 2050. We will also continue to move toward 100% renewable electricity at all global sites. Specifically, we will continue to evaluate what will improve additional aspects of energy efficiency, what organizations can help us move to a total renewable electricity portfolio, and what collaborations with utility companies can help us reach our ultimate destination.

For our customers, we will develop and launch products to help them reach their sustainability goals by improving energy efficiency, increasing renewable electricity, reducing emissions, and more.

For our communities, we will continue to partner with others to help drive climate solutions globally.

Get updates and learn more about our ongoing work aligning to the **3M Strategic Sustainability Framework**.

We'll continue to drive climate solutions in our operations, in our products, and in communities around the world.

Suppliers

Helping our supply chain extend our commitment to sustainability

Our commitment

Each step in the supply chain is an opportunity to assure alignment with our corporate vision of improving every life. This includes benefits like employment, embracing diversity, and community building as well as mitigating risks whether they are related to labor, environmental, health and safety, ethical practices, or management systems. Our commitment, from top leadership down, is to achieve synergy across our supply chain with our own corporate values. We expect our suppliers to be transparent about their environmental and social practices, provide ideas for improvement, and work with us to transform our shared value chain.

At 3M, we set a high bar for our company regarding environmental and social governance, and we expect the same from our suppliers. 3M follows the Organisation for Economic Co-operation and Development (OECD) Due Diligence framework for all of our responsible sourcing activities. The **3M Supplier Responsibility Code** (SRC) is based on 3M's corporate values for sustainable and responsible operations and aligns with the Ten Principles of the United Nations Global Compact, of which 3M is a participant. The SRC is also consistent with the Responsible Business Alliance (RBA) Code of Conduct.

Our Due Diligence Management System consists of the following elements, which guide our continuous improvement efforts.

3M supply chain Due Diligence Management System

Values
Establish strong policies and management systems

Transparency
Identify and assess risks in the supply chain

Transformation
Design and implement a strategy to respond to identified risks

Verification
Audit supply chain due diligence

Report
Report on supply chain due-diligence activities

Strong policies aligned with our values

The SRC outlines 3M's foundational social and environmental expectations in the following areas:

- **Labor.** Requirements align with the **3M Human Rights Policy** and include important concepts like freely chosen employment (no forced, bonded, or trafficked labor), restrictions on working age (no child labor), and appropriate working hours and wages. Setting these expectations helps assure our suppliers' actions will reflect 3M's values on human rights as well as the values underlying the International Labour Organization (ILO) and laws, such as the California Transparency in Supply Chains Act, the United Kingdom Modern Slavery Act 2015, the U.S. Federal Acquisition Regulation (FAR) on forced labor and human trafficking, and Australia's Modern Slavery Act 2018. To learn more about these topics, see the **Human rights** section and the **3M Modern Slavery Statement**.
- **Environmental, health, and safety.** We expect our suppliers to care as much about the health and safety of their workers and their communities as 3M does and to implement proper procedures and controls to protect them as well as the environment in which we live.
- **Ethics.** Expectations align with the **3M Code of Conduct** and hold our suppliers to the same high standards of honesty and integrity. Suppliers must prohibit any form of bribery and corruption, and prevent conflicts of interest.
- **Management systems.** We expect our suppliers to establish processes to systematically conform to the 3M SRC, as well as all legal requirements, and to commit to continuous improvement.

The Supplier Responsibility Code is currently available in

15

languages.

The SRC establishes 3M's expectations for new and existing suppliers anywhere in the world and for any supplied material or service. Our supplier vetting process includes a review of the SRC expectations and reinforcement that supplier programs and practices, as well as those of their subcontractors supplying products and/or services, conform to standards consistent with the SRC. Our global supplier agreements have incorporated SRC expectations.

We expect our suppliers to establish and implement their own relevant policies and programs in alignment with this SRC and to enforce these expectations with their own suppliers, thereby promoting our high sustainability standards up our supply chains.

3M's vice president of Strategic Sourcing & Packaging Solutions (SS&PS) is accountable for 3M's Responsible Sourcing program. The leader of our global responsible sourcing activities reports to the vice president of SS&PS. Executive leaders of departments (including EHS, Ethics & Compliance, Corporate Auditing, Strategic Sourcing, Legal, Sustainability, and Human Resources) are provided program updates at least twice a year, and Strategic Sourcing leadership is updated quarterly on the program's status and results. Both groups have the opportunity to provide input on the various program activities. 3M's Science, Technology & Sustainability Committee of the Board of Directors reviews company sustainability and EHS policies and programs for compliance with all applicable laws and regulations.

Supplier risk assessment and supply chain transparency

As stated in our supplier contracts, in addition to full compliance with all applicable laws, including environmental laws, we expect our suppliers to integrate environmental responsibility into their operations. Suppliers should work to minimize adverse effects on the community, environment, and natural resources while safeguarding the health and safety of workers and the public. Additional information can be found at **3M Supplier Direct**.

Our general supplier performance verification process begins with a self-assessment questionnaire (SAQ). The SAQ helps 3M understand supplier programs and determine whether they conform to 3M expectations. The SAQ focuses on the following topics: labor (including right to freedom of association and collective bargaining), health and safety, environmental, ethics, and management systems. An on-site assessment may be conducted by 3M or a third party to assess the supplier's level of conformance with 3M's expectations. If deficiencies are identified, they will be addressed through an SRC Corrective Action Preventive Action (CAPA) process. Follow-up on the CAPA may include announced or unannounced assessments.

If the assessment identifies gaps or findings, and if a supplier is not able or willing to resolve them, the CAPA process would escalate to a corporate Supplier Corrective Action Request (SCAR) that would involve sourcing, area manufacturing, and supply chain or business personnel engagement. This assures appropriate resolution and conformance to 3M's requirements. If a supplier is unwilling to work with 3M on the identified gaps or is unable to close the issues within a reasonable timeframe, alternative actions are determined with a cross-functional business team to elevate and resolve the situation.

The SRC outlines supplier expectations relating to grievance mechanisms. Anyone who has a concern involving 3M can use the **3MEthics.com** site as an alternative way to report a concern. The concern can be reported anonymously if desired.

Additional expectations for higher-risk value chains

In addition to the global SRC expectations for all suppliers, certain areas warrant additional and specific formal expectations to drive more sustainable, responsible practices. This includes our use of certain minerals with the potential to be sourced from conflict-affected and high-risk areas, our use of timber-based products and other plant materials (pulp and paper), and all new suppliers in higher-risk countries in areas such as Asia Pacific, Latin America, or parts of Europe, Middle East, and Africa. See more on our risk identification process in the **Responding to risks and transforming our supply chains** section.

Focus: responsible minerals sourcing

A prioritized area in our raw material supply network is the responsible sourcing of minerals. 3M deplores the violence and inhumane treatment that has occurred in the Democratic Republic of Congo, adjoining countries, and other conflict-affected and high-risk regions as defined by global regulatory bodies. 3M is committed to supporting responsible sourcing of minerals that contain but are not limited to tin, tantalum, tungsten, gold, and cobalt from all such regions. Additional information can be found in our **Responsible Mineral Sourcing Policy** and in **Supplier Direct, Supplier Requirements** section on 3M.com.

Focus: pulp and paper sourcing

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 2015 to set standards of excellence for our suppliers through all tiers of supply from the forest. Our **Pulp and Paper Sourcing Policy** and guidance document is available in seven languages. Additional information can be found on the **3M Sustainable Forestry** website.

We strongly encourage working with diverse suppliers and small businesses across our sourcing organization.

Supplier Diversity

3M is committed to diversity, equity, and inclusion, and we strongly encourage working with diverse suppliers and small businesses across our sourcing organization. We back up our commitment through initiatives that directly seek out diverse companies to support 3M's business needs. Equally important, we recognize that diversity is a core value that helps strengthen our competitiveness and provides opportunities for new ideas and fresh perspectives.

3M has a long-standing commitment to sustainable business practices and to supporting the economic success of our communities, working with both small businesses and diverse suppliers. Diverse suppliers in the U.S. are identified by one or more of the following classifications:

- Small Business Enterprise
- Women-Owned Business Enterprise
- Women-Owned Small Business Enterprise
- Minority-Owned Business Enterprise
- Small Disadvantaged Business Enterprise
- Veteran-Owned Business Enterprise
- Veteran-Owned Small Business Enterprise
- Service-Disabled Veteran-Owned Business Enterprise
- HUBZones

3M proactively reaches out to various organizations, including the North Central Minority Supplier Development Council (NCMSDC), Women's Business Development Center (WBDC), Metropolitan Economic Development Association (MEDA), Small Business Administration (SBA), Small and Disadvantaged Business Opportunities Council (SADBOC), and others. We also have a supplier portal that allows businesses to provide a portfolio of their capabilities, which is available to 3M's sourcing organization.

3M also establishes goals and regularly tracks the value of goods and services purchased from small businesses and diverse suppliers for the U.S. federal government as part of an annual Small Business Subcontracting Plan.

To achieve our goals, 3M has implemented a strategy that aims to:

- Increase year-over-year spending with Diverse Suppliers, Small Business, Minority Business/Small Disadvantaged Business
- Expand support and sponsorship of advocacy groups and their members

In 2020, 3M spending with Small Businesses represented 21.6% and Diverse Suppliers reflected 3.31% of our total U.S. spend. Our progress is routinely communicated to leadership across the organization.

For more information on our Supplier Diversity initiative, see **Supplier Diversity**.

Science for Circular goal

Drive supply chain sustainability through targeted raw material traceability and supplier performance assurance by 2025

maintaining goal 2015 — 2025 goal

We understand that our sustainability impacts extend beyond our own operations. By purchasing raw materials and services from small and large companies all over the world, we participate in a global, complex supply chain. And it doesn't stop there. Our suppliers have their own suppliers, extending back to the original source of each material we use.

In 2020, 3M spending with Small Businesses represented

21.6%

and Diverse Suppliers reflected

3.31%

of our total U.S. spend.

Our actions

3M works with a broad, complex supply chain, consisting of

over

72.3K

suppliers in over 324 subcategories in

113

countries around the world.

In 2020, the SRC Steering Team provided refresher training for hundreds of internal supplier assessors and sourcing professionals globally to assure a detailed understanding of 3M's SRC expectations, processes, and supporting tools. Employees received access to online training materials that covered each of the elements of the SRC, including labor and human rights, EHS, ethics, and management systems requirements. 3M's business partners website also provided training materials for suppliers to expand their knowledge on topics such as global bribery and corruption awareness; eliminating forced labor, slavery, and human trafficking from the global supply chain; and preventing corruption and mitigating compliance risk for distributors and business partners.

Supplier partnership during COVID-19

During the pandemic, 3M increased our global output of key products to support increased demand, which increased the demand on key raw material suppliers.

Chemical producer BASF, for example, stated that "demand for BASF products that are key components of 3M products increased significantly. A global, cross-divisional BASF team pushed supply chains to their limits with BASF products being produced in the U.S., Germany, and Mexico in support of 3M. These tremendous efforts and 3M's commitment to health care workers across the world will put critical products in the hands of those who need them for months and years to come."

In addition to supplier support, the 3M External Collaboration Resource Team (ECRT) received over 1,100 requests for collaboration, many of which were focused on the supply chain. Read more in **COVID-19: A catalyst for unprecedented collaboration**.

Responding to risks and transforming our supply chains

We are constantly managing changes in supply markets, both where there is an opportunity to achieve value and where necessary to mitigate risk and secure supply. 2020 brought many challenges. It took a huge effort to make sure essential supplies were provided to 3M to support production of critical products used to help fight COVID-19. Unfortunately, the pandemic also increases the risk of modern slavery practices among vulnerable workers across supply chains. The global responsible sourcing team took additional actions in 2020 to determine if 3M was at risk and will continue these efforts in 2021 by focusing on our assessment and training programs to assure ethical production and responsible trade.

As described earlier, we focus our efforts on salient issues in categories where human rights and environmental risks are the greatest. More broadly, we conduct robust risk prioritization to determine the suppliers we will engage using our SRC assessment process, which includes policy and contract conformance.

Supplier locations

Supplier spend by region

2020 percentage

3M uses industry indices to identify higher-risk supply chains in conjunction with Lean Six Sigma (LSS) tools to optimize and strengthen our risk management processes. The criteria matrix helps rank global suppliers using multiple factors such as geographic, category, and business-critical elements to determine where assessments should be performed each year.

Beyond risk, we aim to utilize our supply chains in our overarching goals for sustainability. 3M recognizes that many of the world's greatest challenges can be solved through collaboration. We are currently exploring supply chain integration opportunities with some of our key suppliers in an effort to advance circularity. In 2020, we asked suppliers to partner with us to populate our **Supplier Sustainability Solutions Library**, which is available to 3M product developers to help accelerate solutions that support 3M's Sustainability Value Commitment, ensuring all new products have a sustainability attribute that will improve our product offerings and advance our aspirational Sustainability Goals. See the **Circular materials** and **Innovation management** sections for more information.

Verifying our supplier performance

Although applicable to all suppliers, our supply chain risk assessment process prioritizes higher-risk suppliers, each of whom must complete an SAQ and/or be subject to an on-site assessment as specified in our SRC. In 2020, we assessed about 18% of our higher-risk suppliers.

In the past 12 years, we have conducted almost 7,400 self-assessments or on-site audits of suppliers in prioritized countries. Our assessment process, which is aligned with the RBA framework, has become more involved and comprehensive. In 2020, 3M completed over 468 assessments in 35 countries, which covered every area of the world.

3M worked with suppliers to enhance our third-party audit process, with a goal of expanding third-party assessment activity. 3M aligned with the RBA Validated Assessment Program (VAP) as the industry platform to provide synergy with our Supplier Responsibility Code assessment process.

Many of the world's greatest challenges can be solved through collaboration.

Cumulative supplier assessments, since 2008

Total number

In 2018, we updated our assessment progress and increased the scope of each assessment.

Forced labor and human trafficking

3M's efforts to eradicate forced labor and human trafficking from our direct supply chains are discussed in more detail in our **Transparency in Supply Chains and Modern Slavery Disclosures**. Within these disclosures, 3M's **Modern Slavery Statement** communicates our commitment to legal and ethical practices as exhibited by our membership in the United Nations Global Compact, 3M's Code of Conduct, and cooperative efforts working with others to abolish human rights atrocities, especially in regard to human trafficking, forced labor, modern slavery, and other related crimes.

3M is committed to doing our part to eradicate human trafficking in any form from the global supply chain. We have robust policies and systems in place to control these practices in our own operations and with our suppliers. 3M sets a high bar for our company regarding labor and employment, and we expect the same from our suppliers as articulated in the SRC.

Conflict mineral supply chain traceability

2020 percentage based on RMI audit status

RMAP conformant	71.9%
RMAP active	6.65%
RMAP not enrolled	19.0%
Non-conformant	2.42%

Based on Responsible Minerals Assurance Process (RMAP)

Responsible minerals actions

3M's Responsible Minerals Sourcing program, now in its eighth year, has gone through continuous improvements based on insights from past campaigns as well as external benchmarking that provided ways to optimize and increase the effectiveness of program activities.

Beyond 3TG (tin, tantalum, tungsten, and gold), 3M's Responsible Minerals Sourcing program includes cobalt sourcing in order to support industry expectations, 3M values, and human rights policies. 3M expects our suppliers to adopt a similar policy and due-diligence management system, and we require the same of their suppliers in order to proliferate responsible sourcing practices throughout the supply chain.

In addition, 3M is an active member of the Responsible Minerals Initiative (RMI), which develops tools and provides guidance for companies regarding conflict minerals. Our membership in RMI and various working groups, such as the Due Diligence Practice Team and RMI Plenary Team, enable 3M to be involved in activities supporting RMI's Code of Conduct and due-diligence practices. The teams provide useful venues for 3M to offer ideas and learn from other member companies as we all work together on this important journey of transforming our supply chains. In September 2020, 3M attended the annual RMI member meeting and, in October 2020, attended the virtual RMI Annual Conference to discuss strategies and best practices regarding the expansion of a market-driven, responsible sourcing supply chain.

3M's membership in RMI provides insights into emerging risks and assessments in raw materials supply chains. RMI uses the Risk Readiness Assessment (RRA) tool to provide these insights, which is the basis for corporate assessments of material risks in 3TG supply chains, specifically related to social and environmental risks.

With the evolution of responsible minerals programs, 3M worked with a third party to manage our 2020 program outreach and data collection. The third-party platform automates the collection, validation, and centralization of data to support 3M's Responsible Minerals Sourcing program. Suppliers entering the portal are linked to training resources with access to topics and webinars such as An Introduction to Supply Chain Data Management, Responsible Minerals: Guidance on Artisanal & Small-Scale Mining, Resources & Best Practices for Effective Responsible Minerals Reporting, and Understanding Your Requirements Under the EU Conflict Minerals Regulation.

Additional information can be found in the 3M Conflict Minerals Securities and Exchange Commission filings found on 3M Supplier Direct, Supplier Requirements, **Responsible Minerals**.

Pulp and paper supply chain traceability

2020 percentage by spend

Traceable to forest source or 100% recycled	78.8%
Traceable to pulp mill	5.63%
Traceable to paper mill	4.60%
Not yet engaged or traceable	11.0%

Pulp and paper policy implementation on the ground

Throughout our policy implementation, 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 pulp and paper positions within their companies
- Significant increases in supply chain traceability and transparency
- Increased engagement by our suppliers with their upstream supply chain
- Suppliers adopting new or enhancing existing pulp and paper policies
- Suppliers inviting 3M to collaborate on challenges around responsible sourcing and to create a path forward

We continue to work with all in-scope 3M suppliers around the world to map our global pulp and paper supply chain from paper and pulp mills down to the forest source. We aim to work with suppliers and peer companies to amplify our efforts to mitigate risks, improve efficiencies, and drive sustainable practices throughout the supply chain.

We work 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. Some of the ways we engage further across all tiers of the supply chain may include conducting web conferences, in-person meetings, or field assessments at the mill and/or forest level.

We have so far conducted 15 field assessments across all regions, covering more than 19 million hectares

With the help of EF, we have so far conducted 15 field assessments across all regions, covering more than 19 million hectares. We do not limit this engagement to our direct suppliers. 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 first hand 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 resulted in a comprehensive report detailing the supplier's performance compared to our policy requirements and provided 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.

While we will continue to conduct field assessments in our supply chain where warranted by risk or where we identify that it is important to get on the ground to better understand the risk and current mitigation efforts, we are shifting our overall focus to more direct collaborations with suppliers and other third parties. To date, we have participated in transformation projects covering over 5 million hectares.

Although 2020 presented challenges due to COVID-19, we adjusted our implementation strategy to adapt to these challenges. Where we planned to conduct on-the-ground and in-person activities, we shifted to remote and digital engagements, when applicable. Although some types of engagement are still best conducted in person, we were able to make solid progress in implementing our policy this year by working with strong, collaborative suppliers and other third parties.

More information on these assessments and other collaborative efforts can be found in our **Pulp and Paper Sourcing Policy Progress Reports**, including:

- **Training in Brazil.** In 2020, 3M's support enabled EF to provide a training series on Free, Prior, and Informed Consent (FPIC) processes, reaching over 50 people from major companies and stakeholder groups in the Brazilian forestry sector. The companies represented at the training account for 3.1 million hectares of forest plantations within a total land holding of 5.7 million hectares in Brazil, or 40% of plantation forest management in the country.
- **The Great Northern Forest.** 3M and EF are committed to working with suppliers to promote the protection of high conservation values in the Great Northern Forest (the northernmost forest in the world) and the ability of the forests to provide wildlife habitat, ecosystem services, and natural beauty for generations to come.

For more information, see our feature story **Healthy forests**.

Working on overall policy conformance for suppliers

In 2016, 3M and EF created a Policy Conformance Self-Assessment Tool with the purpose of having 3M suppliers assess themselves against all aspects of the 3M Pulp and Paper Sourcing Policy. Since the creation of this tool, we have been partnering with our suppliers to complete this self-assessment. In addition to the self-assessment, we have created and implemented a Pulp and Paper Sourcing Policy Scorecard, which allows 3M to evaluate a supplier against all aspects of the 3M policy. We began rolling out this scorecard with prioritized suppliers in 2019, completing evaluations of suppliers in each region.

The results of the evaluation provide 3M further insight into each supplier's conformance status while also highlighting opportunities and areas to focus on for improvement. The goal is that the evaluation results create a path to work together to further advance the sustainability of the global pulp and paper supply chain.

Through this work and engagement with our suppliers, we have seen many suppliers make significant progress in their own programs, ranging from enhancing their own policy(s) and due-diligence management systems to creating policies that did not previously exist.

Pulp and paper field assessments and transformation projects

● Field assessment ● Transformation project

Collaboration for change

3M Brazil is a signatory to the National Pact to Eradicate Slave Labor and joined InPACTO — the National Pact Institute for the Eradication of Slave Labor — a trade association focused exclusively on collaborative efforts among members, including 3M, and committed to the goals of the National Pact.

Supplier recognition

Our supplier recognition program seeks to recognize those outstanding suppliers that help us succeed in accomplishing our Vision — 3M Technology Advancing Every Company, 3M Products Enhancing Every Home, and 3M Innovation Improving Every Life.

Each year, 3M sourcing professionals nominate exemplary suppliers to be recognized for world-class performance based on strategic support, contract compliance, actions taken to improve 3M's competitiveness, and overall supplier performance. In 2020, 3M recognized the top 40 suppliers out of thousands of suppliers in the 3M supply chain. Due to the unprecedented demands needed to support 3M's critical COVID-related supply efforts, a special award category was added to recognize this unique class of suppliers.

Learn more about the **Supplier of the Year Award**.

Looking forward

We recognize the supply chains of many materials involve both risks and opportunities. By collaborating with suppliers and advisors in this area, we are continuing to improve our supply chain management systems:

- 3M is committed to utilizing third-party resources to conduct more assessments in higher-risk areas of the world.
- 3M is publishing our Responsible Minerals Sourcing Policy in 11 languages to support our global supply base.
- We are refreshing the SRC to align with the RBA 7.0 code, effective in January 2021.
- We will increase efforts with providers of pulp and paper to evaluate and improve their understanding and conformance with 3M's environmental and social expectations. We are investing in transformation projects that will enhance the global pulp and paper supply chain.
- We are evaluating our portfolio of higher-risk renewable materials.
- We are expanding our due-diligence efforts for higher-risk materials (e.g., mica) to further mitigate risk to our business and advance responsible supply chains.
- 3M is committed to improving value chain equity by increasing the identification and inclusion of small business and diverse suppliers. We are providing relevance to our customers and stakeholders through a diverse supplier development and mentoring program at the business group level.
- 3M plans to conduct sustainable supplier initiatives in 2021. A planned 2020 event was postponed due to pandemic-related concerns.

In 2021, the EU Conflict Minerals Regulation will go into effect and will require companies to take a wider view of their sourcing practices. Members of our European Government Affairs Team have been closely aligned with industry and government organizations to understand the scope, impacts, and timing of the new European regulation. 3M is not affected currently by the regulation. The 3M team will continue to proactively assess potential applicability, so 3M can be prepared to implement the new rule in the future.

What we create

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What we create

For over 110 years, we have been dedicated to science and exploration.

Using our **51 Technology Platforms** and our collaborative culture, our people apply their talent to combine our technologies across businesses, creating unique solutions for our customers and for society.

Everything we create is shaped by a culture that uses science to solve the world's problems. Since 2019, every new product entering the new product commercialization process has incorporated a Sustainability Value Commitment that demonstrates how it drives impact for the greater good.

R&D: collaboration at its best

Scientists in our central laboratory are free to focus on pure research in search of unscripted, unexpected opportunities for breakthroughs. Our unique 15% Culture allows them the freedom to follow their instincts. At the same time, our Tech Forum is a key enabler of collaboration.

This self-directed, self-organized group unites 10,000-plus 3M scientists and engineers who work together to solve problems across oceans and continents, regardless of which business they support.

3M development teams within each of our business groups draw upon our core technologies to create products for targeted industries and geographies.

We continue to expand beyond our own operations and focus on the intersection of our Sustainability Goals and the needs of our customers and communities. We collaborate with our customers to help solve their problems through science. While we recognize the importance of what we do in our own businesses and will continue to innovate there, we know we can make a greater impact when we collaborate with others — customers, governments, NGOs, and more — to understand and overcome the global challenges we face. Together, everyone achieves more.

Our customers

Working together for innovation and growth

Our commitment

Whether it's technology, manufacturing, global capabilities, or our brand, we are committed to connecting our fundamental strengths to create value for our customers. We engage them and delve into their processes, their problems, and their promises to their customers. We bring our technology to them, along with a deep domain of expertise, and we deepen it further by working side by side with them.

Throughout the process, we not only meet their expressed needs — we are often able to identify and address unarticulated needs. In both cases, we create solutions for them and, at the same time, innovative growth platforms for 3M.

Additional details can be found in the **Innovation management** section.

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Creating competitive advantages for customers and for 3M

At 3M, many of our products are either specified (designed for the customer) or regulated (meeting specific performance and other requirements). We also work through multiple commerce channels, including distribution, direct, retail, and, increasingly, e-commerce. In every channel, we maintain a customer-first focus, focusing on being in a position to deliver value when, where, and how they want it.

Building sustainability into all new products

Since 2019, we require 100% of our products entering the new product commercialization process to include a Sustainability Value Commitment (SVC) that demonstrates how it drives impact for the greater good.

By embedding sustainability into our R&D process, our brands, and the mindset of our customers and suppliers, we're able to continue to advance our commitment to improving our business, our planet, and every life.

Additional details can be found in the **Innovation management** section.

Science for Community goal

Provide training to five million people globally on worker and patient safety.

1.66M hours toward goal of 5M hours

2015 — 2025 goal

We will continue to support empowerment and enrichment for global health and safety issues through our commitment to improve the health and safety of people worldwide. To measure progress against this goal, we will track the number of training experiences delivered by our Health Care and Personal Safety Academies.

Our actions

Four strategic priorities deliver value for our customers: portfolio management, transformation, innovation, and people and culture.

In all, we work to understand our customers' business models, what they have promised their customers, what our role is in the value chain, and how we can help them deliver on their promises. It is our Vision to advance every company, enhance every home, and improve every life.

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Portfolio management

The ongoing review and reshaping of our portfolio is critical to maximizing value for our customers and shareholders. We have taken significant actions over the last several years, including realigning from 40 businesses to 23 and completing several acquisitions and divestitures. Actively managing our portfolio keeps us relevant and is a key way we prioritize businesses in order to meet the rapidly evolving needs of our customers and the marketplace.

In 2020, we continued advancing the 3M model to drive long-term growth and productivity by focusing on new growth opportunities, including:

- Investing in areas with strong demand aligned with global trends and advantaged by our science and innovation
- Using a digital-first approach to create growth opportunities
- Increasing our focus on personal safety, home improvement and cleanliness, semiconductors, auto electrification, and biopharma filtration

Agility in action and the global pandemic response

As COVID-19 spread throughout the world, we focused on the safety of our employees and the public, including health care workers and first responders. We also maintained a steady focus on our customers — as they worked through challenges caused by the pandemic. Throughout 2020, we:

- Ramped up production and delivery of personal protective equipment (PPE) for use by health care workers, first responders, and essential workers.
- Collaborated with companies to develop PPE and other tools being used in the fight against COVID-19. See our feature story, **COVID-19: a catalyst for unprecedented collaboration**, for more information.
- Developed new products to create value for our customers in response to COVID-19. See our feature story, **COVID-19 innovations — Agility in action**, for more information.
- Fought fraud, price gouging, and counterfeit activity by bad actors seeking to take advantage of the unprecedented demand for 3M products.

3M was recognized as "**Supplier of the Year**" by Supply Chain Dive because of our leadership and supply chain risk management, which allowed us to produce and distribute supplies during a time of unprecedented demand. Shifting our supply chain to help meet the demand for PPE, we ramped up global production of N95 respirators to 2 billion respirators by the end of 2020. Accelerated respirator production was possible because we took measures well before the outbreak of COVID-19 to help the company handle unexpected increases in product demand, including the addition of assembly lines that were designed to stay dormant until needed. During the pandemic, we also worked with partners to get real-time data to provide a clearer picture of the supplies our partners had in stock for better alignment with customer demand.

Learn more about how **3M is helping the world respond to COVID-19**.

Customer-inspired innovation

We have a model in place for customer engagement that uses our current product offerings and development opportunities. Innovation at 3M truly comes from the confluence of customer and market insights, technology, and our culture of collaboration and entrepreneurship. Building trust and credibility with our customers helps drive growth. We take the time to get to know them, learn how they live and work, and understand what we can do to improve their businesses and lives. We build relationships with our customers by demonstrating value, and our scientists work directly with customers to solve their unique challenges. Our most successful products are infused with strategic customer insights throughout the entire product development process.

3M is helping our customers in the fight against the pandemic from multiple angles, including working alongside biopharmaceutical companies as they develop and manufacture protein-based vaccines and therapeutics. Read **Harvesting proteins to find a vaccine for COVID-19** for insight on how 3M technology is being used to develop vaccines and therapeutics.

"When we visit our customers, we get a sense for how our purification products are a part of something that helps improve and save lives," says Jonathan Hester, Ph.D., research scientist with 3M Biopharmaceutical Purification. "In a lot of ways, COVID-19 helps us all understand the experiences of people threatened with life-changing diseases. In this case, every one of us is waiting for that vaccine. But there are always people in that situation — waiting and hoping for a cure or treatment — for cancers and other diseases. Knowing we are working on speeding the development of these treatments motivates everyone in our group. Our biopharmaceutical customers have really difficult problems to solve, and we can apply our 3M science to help them."

We also provide custom resource webpages to our customers that offer solutions on a variety of topics, including **getting back to business** and **caring for clinicians and their patients during COVID-19**. Learn more about 3M innovation for COVID-19 response in the **Innovation management** section and in our feature story, **COVID-19 innovations — Agility in action**.

Customer insights

Customer-inspired innovation

"When we visit our customers, we get a sense for how our purification products are a part of something that helps improve and save lives."

Jonathan Hester, Ph.D.
3M research scientist
Biopharmaceutical Purification Team

Collaborating and creating at home and around the world

When collaboration results in meaningful innovation — solving real problems — it can be awe-inspiring. To get there, we believe it's essential to be close to our customers. That's why 3M has 56 innovation centers across the globe, where our customers can experience firsthand the breadth of 3M technologies and how they can benefit from them.

We also have laboratories and application engineering capabilities in

51

countries,

where our scientists work closely with our customers to develop solutions for their specific problems.

Collaboration took on new meaning in 2020. Throughout the year, we worked with many companies and customers to collaborate on products to help in the fight against COVID-19. We also evaluated offers from what eventually totaled more than 1,100 external contacts wanting to help. Learn about some of these collaborations in **How we're helping fight the pandemic** and our feature story, **COVID-19: A catalyst for unprecedented collaboration**.

Following are examples of how we collaborated with our customers during the COVID-19 pandemic.

- 3M and Safran Cabin partnered to bring expertise in their fields — science and airplane interiors — to create cleaner cabin interiors to help restore public confidence in air travel. Read more in **A partnership aimed at creating safer air travel**.
- With patients in long-term care facilities representing a large percentage of overall COVID-19 deaths in the U.S., many providers have had to quickly respond to this unprecedented pandemic.[1] Read how 3M was able to help Trilogy find the products it needed to clean and disinfect its facilities in **Supply chains disrupted, Trilogy turns to 3M for help**.
- 3M streamlined supply chain logistics and dedicated customer service to help supercharge WOODCHUCK USA's production levels of face shields, allowing for the critical delivery of face shields within days. Read how it was accomplished in **Streamlining supply to power a transformative pandemic response**.

Some of the problems addressed in our technical centers and labs are connected to regional and local issues. For example, rapid population growth in urban areas is creating challenges related to energy efficiency, clean water, and environmental protection. We use 3M technologies to develop relevant solutions that are unique to specific regions, often collaborating with local customers. See how 3M India addressed a local public safety issue in our feature story, **Turning students into change agents for safe roads around schools**.

3M Design Centers are located in the United States (at 3M's headquarters in St. Paul, Minnesota), Italy, Japan, India, and China. The centers provide 3M employees with new ways to incorporate design thinking into graphic and industrial design, user experience, and design research. Bolstered by a global design organization with 175 designers around the globe, 3M's Design Centers help spark new ways to enhance the brand experience, advance innovation, and create customer-driven solutions that positively impact the world.

Transformation: continuing a critical journey

In 2020, we made great progress on our transformation journey, which leverages our strengths in technology, manufacturing, global capabilities, and brand to provide a more positive overall experience for our customers. Specific accomplishments include:

- Successfully deployed ERP (enterprise resource planning) systems in nearly all manufacturing sites and distribution centers
- Simplified, standardized, and redesigned business processes
- Advanced streamlined, end-to-end engagement with customers
- Created value through new service models

Moving forward, we will work to enhance customer service, increase value creation, fully leverage ERP capabilities, streamline deployments, and expand the utilization of data and analytics.

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[1] *One-Third of U.S. Coronavirus Deaths Are Linked to Nursing Homes https://www.nytimes.com/interactive/2020/us/coronavirus-nursing-homes.html*

Educating customers for health and safety

Proper use of health and safety products is critical for infection prevention, personal safety, and overall health. Building on our existing customer education programs, 3M has created training libraries that are accessible to customers anytime and anywhere, including on-demand education, live webinars, in-person events, and education resources.

We deliver educational content to health care professionals at hospitals and clinics, professional conferences, and via online webinars and courses — all around the world, through **3M℠ Health Care Academy**. These resources not only help customers get the most out of our health care products; it is part of our commitment to help professionals improve outcomes for their patients and customers. Continuing education is available in areas including medical, dental, orthodontics, health information systems, food safety, health care sustainability, and consumer health and wellness. Many professionals utilize our training courses to accrue continuing education credits toward their professional certification.

Our online training platform is a convenient option for busy health care professionals and was especially relevant in 2020. Our customers wanted to hear from a trusted resource, resulting in the highest attendance ever for our Health Care Academy webinars on highly relevant topics like PPE, returning to surgery safely, and advancements in sterilization. We also moved to digital onboarding for customer training.

Our **Personal Safety Division (PSD)** is also focused on providing relevant training for our customers. In a rapidly evolving business and occupational health and safety environment, our education and training programs can instruct workers on workplace safety hazards and health risks; personal protective equipment (PPE), as regulated by the U.S. Occupational Safety and Health Administration (OSHA); and the proper use and maintenance of 3M products. Our health and safety training takes place on the road, on the manufacturing floor, and online.

In 2020, we conducted additional webinars to reach our customers in an online environment and saw a significant increase in attendance over past years. We also pivoted to online training to provide respirator fit test training. 3M Health Care Academy and PSD trainings overlapped for nurse PPE training, so the two businesses partnered to streamline the PPE training for use in health care.

In several parts of the world, we use mobile vehicles to bring training and education directly to companies and workers at their job sites. This enables us to reach more people and provide more training instances. The **3M Safety Roadshow** is a fully equipped mobile training center that showcases 3M's industrial safety expertise and personal protective equipment. It travels to multiple locations each year and provides in-person safety training, education, and demonstrations. Supported by 3M's highly credentialed technical service staff, the Safety Roadshow partners with industrial facilities across the United States, India, and China to promote safety and build confidence. 3M paused the roadshow in the U.S. in March due to COVID-19 but was able to continue in China throughout the year.

Our roadshow can't reach everyone, so in China, we provide a series of cartoon game-based trainings to help workers increase their understanding of health and safety concepts related to personal protective equipment. Workers scan a QR code to access the training, where they can view content and complete a training quiz from their mobile phones.

In 2020, the total number of training instances was

418K

Training instances are measured as the number of completions per course per year and include webinars, our e-learning platforms, and in-classroom events.

Looking forward

As a large and diverse global science company with customers spanning many industries and countries, we have the opportunity to make an even greater impact on sustainability. As part of our strategic focus on empowering Science for Circular, Science for Climate, and Science for Community, we will work to create a world where nine billion people can thrive by applying boundaryless, collaborative science to provide the products, processes, and systems that improve every life.

We will continue to employ our diversified technology portfolio to create innovative solutions for our customers and industries. Our Technology Platforms continue to evolve — addressing the changing and anticipated needs of high-growth markets.

As we continue to collaborate with our customers to help reduce the risk of transmission of the COVID-19 virus, we are excited to collaborate with our stakeholders in other areas, building on our Strategic Sustainability Framework.

We will work to design a world where nine billion people can thrive by applying boundaryless, collaborative science to reinvent the products, processes and systems that improve every life.

Innovation management

Creating sustainable solutions through science

Our commitment

At 3M, it's simple: We are a science-based company, and we use science to improve lives.

As society's challenges continue to evolve, so does the focus of our science. From inventing the world's first water-resistant coated abrasive in 1921 to helping advance automotive electrification today, we are relentlessly innovating and adapting our technologies to help solve the problems of today and tomorrow while driving sustainable growth for our company.

Innovation is built into 3M's foundation — founder William L. McKnight's McKnight Principles set the course for the company's unique 15% Culture, which allows 15% of employees' time to be spent on projects of their choosing. This culture encourages innovation to flourish through uncommon connections; our scientists solve problems by making interesting links among our many technologies.

Our **51 Technology Platforms** are shared and combined across businesses and areas to invent unique products for a variety of industries. No single business owns any of these technologies. They are managed by the company and can be used by any of the businesses to serve their respective customers and industries.

One of our 51 core Technology Platforms is Sustainable Design, which features our capability to incorporate sustainable design into our products, processes, and packaging. One way we demonstrate sustainable design is through our formal goal, expanded on later in this section, that requires 100% of our products entering the new product commercialization process since 2019 to include a Sustainability Value Commitment. By embedding sustainability into our R&D process, we're able to support 3M's growth and advance our commitment to improving our business, our planet, and every life.

All of our businesses are connected by our fundamental strengths — technology, manufacturing, global capabilities, and brand — which allow us to invent, manufacture, and sell products across our vast global network.

Product safety, quality, and stewardship governance

Our customers depend on 3M's products to advance, enhance, and improve their companies, homes, and lives — and we have a responsibility to live up to those expectations. For this reason, we must strive to produce high-quality products. Every item we sell must meet quality standards and must be safe for its intended use. Our commitment to innovation is governed by policies and standards that allow us to move forward with integrity, confidence, and the common foundation of 3M's **Code of Conduct**.

The Code of Conduct defines our values and the responsibilities that 3M employees and 3M suppliers must meet. Under this broad umbrella of values are principles, policies, standards, and guidelines that more specifically outline what 3M believes is the ethical approach to various work situations, including those that involve innovation management of 3M products.

Product safety, quality, and stewardship must always be primary considerations during the design, manufacturing, marketing, and sale of 3M products, as outlined by our **Product Safety, Quality, and Stewardship Principle**. 3M employees must know and follow all applicable laws, regulations, and 3M policies, standards, and procedures for product safety, quality, and stewardship and must report and respond to concerns.

3M management is responsible for addressing reported concerns and assuring that 3M employees are properly trained in applicable laws and regulations as well as 3M policies, standards, and procedures.

Our **Product Safety, Compliance, and Stewardship Policy** underscores our commitment to commercializing and selling products that are safe for their intended uses; compliant with all applicable environmental, health, and safety (EHS) regulations and 3M expectations; and developed with a goal to continuously improve the EHS performance of products and corresponding manufacturing processes.

Further, we believe it is our responsibility to create products with demonstrated environmental performance across their entire life cycle, including product reuse and repurpose. We work with our suppliers and business partners so that their operations support these same objectives.

Our Science, Technology & Sustainability Committee of the Board of Directors oversees the twin demands of developing products to meet the ever-changing needs of our customers while assuring that those products cause no harm to people or to our planet.

See the **Suppliers** section and **Our customers** section for more information.

Chemicals Management Policy

3M is a science-based company committed to applying our scientific expertise to improving lives. Helping people live safe and productive lives is important to 3M — not only for our employees and customers but for everyone living on the planet. Chemicals are essential for producing 3M's broad range of products. Effective and responsible chemical management is part of 3M's role in helping people live safely.

3M's Chemicals Management Policy reflects the evolving values of 3M and our stakeholders. Under this policy, 3M has identified specific chemicals whose use in products and manufacturing processes is subject to restrictions or specific management actions.

Advertising and Product Representation Policy

3M's reputation as a responsible company extends to the products and services we offer and how we represent them. It's our policy to represent our products truthfully, fairly, and accurately in all sales, advertising, packaging, and promotional efforts. All product claims must be substantiated and technically accurate, as specified by the Advertising and Product Representation Policy.

As with our other policies, each business must maintain appropriate review processes of any claims or representations about its products. This includes substantiation of claims through testing based on sound statistical and scientific principles. For information, see our **Advertising and Product Representation Policy**.

Hazard communication

Communicating the potential hazards of 3M materials supports 3M's core values and is an integral part of keeping stakeholders informed about 3M materials. The vehicles for communicating these hazards and product chemical components include **safety data sheets** (SDS), product labels, product literature, instructions for use, transportation classification documentation, and other communications tools, including our **Ingredient Communication website** on 3M.com.

Our Ingredient Communications website provides customers and consumers with

enhanced ingredient information for over

400

products.

The website provides transparency into 3M formulations by identifying intentionally added ingredients and select contaminants. The function of each ingredient in the product is defined, thereby allowing customers to know exactly why a chemical is present in a specified product. The website also provides direct links to each product's SDS. The website pages are designed to be easily printable, allowing channel partners to quickly access the information and meet their workplace requirements.

Each business must use corporate processes that evaluate the potential hazards of 3M materials and transmit, in local country language(s), information about the hazards to employees, contractors, and customers; it must meet all applicable regulatory requirements and 3M standards and guidelines; and it must promote informed decisions about the materials' proper and safe handling, use, and disposal.

Alternatives to animal testing

3M is a major advocate for the use, wherever practicable, of alternative (non-animal) test methods to help develop safe products. 3M is a strong contributor in this area and is currently utilizing many of these alternative methods, such as computational toxicology and in vitro testing using isolated tissues or cells. We are also investing in the internal and external development of new methodologies that replace animal testing, and we actively engage with governments, lobbying groups, and industry partners to help further the science for the appropriate use of non-animal methods. Where animal testing is required, we follow our **Animal Welfare in Testing and Research Policy**.

Human Subject Research Policy

Our **Human Subject Research Policy** addresses the protection of the rights, safety, and welfare of human subjects who participate in 3M-supported research. All supported research involving human subjects must be conducted in accordance with all applicable national, regional, and local ethical and legal rules and regulations and must be conducted in accordance with three principles, as described in the Belmont Report: respect for person, justice, and beneficence.

Internal standards for global compliance

We have established internal standards for uniform compliance globally in the manufacturing, sale, testing, and promotion of medical devices, food or drink, food or drink supplements, food or drink additives, drugs, and cosmetics for use in or with humans or animals.

Science for Circular goal

Every 3M product entering the new product commercialization process will include a Sustainability Value Commitment (SVC) that demonstrates how it drives impact for the greater good.

Achieving goal of 100%

2019 — 2025 goal

We require that 100% of our products entering the new product commercialization process (from 2019 forward) include an SVC. Many companies view the topic of sustainability in product development as a challenge, but at 3M, we welcome it and have taken an aggressive approach — working to identify and understand future sustainability needs and expanding our portfolio of products with sustainability advantages where possible.

Our actions

The challenges we must tackle for a sustainable future are daunting, but we see them clearly. They are broad. They are interrelated. They are solvable — with the help of science. We at 3M have the unique opportunity to apply our passion for science and collaborate enterprise-wide to find solutions.

R&D is the heartbeat of 3M. We continue to invest in scientific research and product development in collaboration with our customers. R&D fosters a constant stream of unique and innovative products that drive organic growth.

In fact, in 2020, we invested

$1.88B

or nearly

5.84%

of our sales into R&D.

3M has earned more than 125,000 patents over the years, a testament to the strength of our innovation engine. Over the past five years, 3M has earned an average of 4,000 patents per year.

Our **15% Culture**, going strong for over six decades, inspires creativity, risk-taking, and collaboration. It gives employees the freedom to take risks and learn from mistakes. That freedom is essential to scientific discovery. Employees can spend 15% of their time on projects that interest them. These projects and ideas might eventually become successful 3M products such as the **3M™ Emphaze™ AEX Hybrid Purifier**, which is helping researchers who are developing COVID-19 therapies. The clarifying filter helps remove impurities and DNA from the cell culture as scientists develop new protein-based therapies and drugs.

The COVID-19 pandemic impacted our employees in many ways. We focused on maximizing the production of personal protective equipment and other solutions used in response to COVID-19. We did this while implementing safety protocols that limited access to laboratories and transitioned a substantial number of employees to work from home. The resiliency of our employees as they adapted to new circumstances and new ways of working is what helped 3M move forward during a difficult time. Read how **3M is helping the world respond to COVID-19**.

Using 3M innovation to fight the COVID-19 pandemic

Early in the COVID-19 outbreak, 3M leaders realized that helping with the fight against COVID-19 was going to include finding new ways to work with other companies and organizations to create innovative solutions. Learn about some of the actions we've taken to approach the challenge from different angles in **How we're helping fight the pandemic**, **COVID-19: A catalyst for unprecedented collaboration**, and the **Our customers** section.

3M launched several new products to help fight against the COVID-19 pandemic, including:

- The **3M™ Daily Face Mask**, a non-medical, reusable, cloth face mask that helps support the general public's efforts to limit transmission of COVID-19 when shopping, at social gatherings, or in any setting where a face covering is needed
- **3M™ Disinfectant Cleaner RCT Concentrate**, an EPA-registered (in the U.S.) disinfectant that meets the EPA's Emerging Pathogen Policy specific to COVID-19, which disinfects high-touch areas in the home
- **3M™ TB Quat Disinfectant Ready to Use Cleaner** which kills SARS-CoV-2, the cause of COVID-19, on hard nonporous surfaces in just 60 seconds
- 3M™ Hand Sanitizer, which kills 99.99% of germs and includes moisturizers to leave hands feeling smooth

Availability of these products may be limited to specific geographical areas. Read more in our feature story, **COVID-19 Innovations**.

We employed the same innovative spirit in our manufacturing processes, introducing physical distancing and other enhanced safety protocols in our sites and laboratories, using mixed reality devices to troubleshoot issues in manufacturing due to travel restrictions and producing hand sanitizer in response to global shortages.

See the **Communities** section for information on innovation in manufacturing and grants 3M provided to universities around the world that are advancing COVID-19 research — all as a part of our commitment to Science for Community.

3M's Sustainability Value Commitment (SVC)

In 2020, 100% of new products entering the new product commercialization process included descriptions of their sustainability impact and how they drove impact for the greater good.

A Sustainability Value Commitment (SVC) is a demonstration of how the product incorporates environmental or social factors to contribute to our aspirations laid out in our Strategic Sustainability Framework. Examples of considerations include reusability; recyclability; waste reduction; energy and water savings; and responsible sourcing or use of renewable materials appropriate to the specific product throughout its life cycle.

An SVC can also stem from a core purpose the product addresses, such as an environmental or social challenge like improving air quality, reducing greenhouse gas emissions, or improving patient and worker safety in health care and industrial settings.

The impact of 3M's new product requirement is global in scale. Beyond 3M's own operations, a primary reason for the goal is to help customers achieve their own sustainability goals. This new product goal creates even more opportunities to collaborate with customers on solutions that help improve lives around the world.

Our robust New Product Introduction (NPI) process is used for developing products from idea to launch and incorporates our SVC in each phase of our process. To learn how SVCs evolved in 2020, see our feature story, **Making strides embedding sustainability into new products**.

Global capabilities

Unique and differentiated value

The power of 3M is in the way we connect our fundamental strengths to customers. Those strengths are technology, manufacturing, global capabilities, and brand. They define us as an enterprise and combine to build a business greater than the sum of its parts. The power of 3M arises from our deep understanding of what differentiates us in our performance across every business in our enterprise. It truly reflects how we're linked together in our portfolio, even though we operate in multiple markets. It's about our technology but not just stand-alone science: It is technology supported by deep intellectual property, combined with multiple other technologies that enable us to do unique things with and for our customers.

3M is also about our manufacturing capabilities. We're differentiated and have a competitive advantage through in-house 3M manufacturing site ownership that also uses 3M intellectual property. One-fourth of our intellectual property sits in manufacturing, much of it in trade secrets, enabling us to deliver higher-quality, better-performing, and more competitive products to the marketplace.

True global capabilities require more than just presence in markets around the world. They require the skills of our global organization to execute our business models and enable us to enter those markets successfully — to take our fundamental strengths and applications almost anywhere in the world. We have sales in nearly all countries, with more than half of our workforce and sales professionals working outside the United States. By employing integration and collaboration across our businesses, geographies, and scientific disciplines, we effectively and efficiently bring new ideas and products from the lab to the factory to customers' homes and businesses everywhere.

Finally, it's our brand — 3M Science. Applied to Life.™ — that adds value to every one of our businesses.

Leveraging these fundamental strengths — technology, manufacturing, global capabilities, and brand — is what truly creates the value of 3M.

Fundamental strengths

Unique and differentiated values

Technology

Manufacturing

Global Capabilities

3M Science. Applied to Life.™

Brand

Leveraging team collaboration

3M transforms diverse ideas and creativity into innovative technologies, business assets, and product platforms.

One of the many things that makes 3M unique is our commitment to collaboration. We collaborate with each other across businesses, across technologies, and across oceans and continents.

Case in point: 3M Tech Forum, a self-directed and self-organized catalyst for the 10,000-plus people in 3M's technical community. Begun 70 years ago, Tech Forum gives 3M researchers the opportunity to compare notes with global colleagues, collaborate around the company's 51 Technology Platforms, and develop new ideas that fuel the 3M innovation pipeline. The collaboration takes place at an annual global event, spring symposium, recognition programs, and many chapter events held throughout the year. Global Product Stewardship, Green Chemistry, and Climate are a few of the chapters within Tech Forum. In 2020, Tech Forum showcased over 800 events, including topics such as 3M Sustainability Conference, Sustainability in Healthcare, 2020 Green Innovators Mini-Symposium, Climate Action Simulation, and 100% Bio-derived Materials Designed for a Circular Economy.

Almost every technical employee at 3M has a story about how they leveraged the 3M Tech Forum network to solve a problem or create a new solution. "It's like a candy store of technologies at 3M," said Gustavo Castro, a staff scientist in the 3M Corporate Research Systems Lab, on what it's like to be a member of Tech Forum.

One notable volunteer Tech Forum project resulted in inventing a better way to track polar bears. Wild polar bears are testing prototypes created by 3M scientists through the Polar Bears International (PBI) challenge. The pilot tags are non-permanent and combine currently available satellite transmitters with innovative ways to attach them.

To learn more about the project, see **Bear Necessity: Polar Bears Test New Tracking Tech Invented in Polar Bears International/3M Tech Partnership**.

Almost every technical employee at 3M has a story about how they leveraged the 3M Tech Forum network to solve a problem or create a new solution.

A Nobel partnership

3M has continued our collaboration with Nobel Prize Outreach to bring light to important global issues, like the future of scientific education and sustainability. The partnership gives us the opportunity to jointly focus on educating, inspiring, and engaging a broader audience on big issues that impact people's lives around the world.

3M is an international partner of Nobel Media, and the two entities have collaborated since 2016 to hold global, inspirational events that have brought Nobel laureates to all corners of the world, including Delhi, Tokyo, Seoul, and Madrid. Each event addresses a global topic; past events have focused on teaching and learning, the future of health in our society, and climate issues. 3M is committed to strengthening and enriching the dialogue between our scientific community and the general public, and our collaboration with Nobel Media helps us to do so.

For more information about and examples of our collaboration with Nobel Media, see **3M partners with Nobel Media for global event focused on health and wellbeing**, **3M and Nobel Media Bring Prestigious Nobel Prize Inspiration Initiative to Minnesota**, and **3M Supports "Nobel Prize Series" Event in India to Discuss "Teaching and Learning."**

A process built for innovation

New-to-the-world processes are primarily developed in 3M's Corporate R&D Process Laboratory, and the development of these new processes is captured in our New Technology Introduction (NTI) framework:

- **Explore:** Identify the market opportunity
- **Qualify:** Identify superior product concepts to meet customer needs
- **Deploy:** Develop the technical solution

Meanwhile, our New Product Introduction (NPI) process provides the robust framework for developing products from idea to launch.

Together, 3M's NTI and NPI processes provide a common framework for technology and product commercialization for all global businesses. Deliverables are required at every phase of these processes. For NPI, this includes the Sustainability Value Commitment. Having consistent practices throughout the company for technology and product creation assists in risk analysis by providing a common language from which to share tools and best practices and manage project portfolios.

Product innovation that takes the long view

3M works to produce products with environmental performance across the entire product life cycle. We also work with our suppliers and business partners so that their operations support these same objectives. These combined efforts help define, protect, and assure the long-term success of our company.

Life cycle management (LCM) is 3M's approach to assuring that product environmental, health, safety, and associated regulatory considerations are integrated into the development and commercialization of 3M products through 3M's NPI process.

During NPI, our business teams provide LCM deliverables. These include, at a minimum, raw material composition; assessments in human health and environmental toxicology, electrical and mechanical safety, and other disciplines, as appropriate; conformance to regulatory and customer EHS requirements; and hazard communication documents.

Likewise, we evaluate LCM impacts from product modifications through our corporate product management of change process. We leverage these LCM processes to continuously improve the EHS performance of our products.

Life Cycle Management

Unique and differentiated values

Best-in-class product stewardship framework

Responsibility for product stewardship at 3M is shared across a broad spectrum of functions positioned within businesses, areas, and corporate staff groups. Together, individuals across this spectrum work to support 3M's core value of respect for our social and physical environment.

In 2020, 3M's Environmental, Health, and Safety organization combined with 3M's Product Stewardship organization to become the 3M EHS and Product Stewardship (EHS&PS) organization, aligning protection of our employees, our communities, and our customers.

Within 3M EHS and Product Stewardship, we have over

400

product stewards,

embedded within 3M businesses and countries of operation,

who act as champions of product EHS, regulatory compliance, and sustainability. They help assure our products meet or exceed requirements stemming from 3M policies, governmental regulations, and our customers.

Our framework for product stewardship provides structure and consistency for overseeing daily activities in a proactive, not reactive, mode. For example, we have a self-auditing program to identify leading indicators. 3M has also been on the leading edge of product stewardship audits, beginning with self-assessments in international regions in 2007 and incorporating global audits in 2014. These audits evaluate, among other elements, product hazard and risk assessment, chemical control, life cycle management, and consumer product safety. The goal of these audits is to assure that businesses are meeting corporate standards and to share best practices globally. Our audit program is agile, and we have conducted deep dives into specialty topics as requested by our businesses that are seeking to improve their operations or meet evolving external standards, including audits for life cycle assessment and human subject research.

Starting in 2020, 3M has been building out our EHS and chemicals management audit program to best-in-class capability with the addition of:

- Adding new features to allow sites to audit their own programs, involving 3M experts from outside a site's auditing program, and having external, non-3M specialists visit and audit 3M sites
- Expanding coverage for compliance and management systems
- Increasing physical monitoring of site emissions
- Utilizing periodic, formalized evaluations of our underlying processes to determine and communicate EHS requirements to operations

3M values the continued professional development of its product stewardship professionals. In addition to supporting attendance at a wide variety of external classes and conferences, we offer an internal education program covering regulatory updates, policies and standards, toxicology, systems and business processes, and orientation to product responsibility. In 2020, we expanded our longstanding U.S. Toxic Substances Control Act (TSCA) internal education program to offer a formal TSCA certification program, certifying 39 employees.

In 2020, the EHS&PS Department offered 34 live programs and added 130 on-demand sessions to the educational catalog for the product stewardship network, covering over

8.80K

training instances.

The department also quickly pivoted to online meetings, including a virtual Product Stewardship and Sustainability poster session for 3M's Tech Forum audiences.

The corporation sponsors a 775-page website containing over 1,350 reference documents dedicated to product stewardship and global regulatory requirements. We also publish a monthly global newsletter to keep the network informed of recent and upcoming regulatory and program changes.

We employ a staff of AIHA Safety Data Sheet (SDS) registered professionals who have demonstrated competency in the skills and knowledge needed to properly prepare or review Safety Data Sheets and labels to meet Global Harmonization System requirements.

3M commits to professional development, education, and training by covering fees for professional certification exams, recertification dues, external conferences, and other professional development opportunities for employees.

Supporting our customers and innovation teams with life cycle assessments (LCA)

In addition to the LCM program, which applies to all 3M products, we also conduct LCAs for select 3M products. At 3M, our ISO 14040-compliant LCAs are typically cradle-to-gate since our products often have use and disposal life cycle stages that are dependent on how our customers use these products. This often provides a unique opportunity to collaborate with and help our customers understand and reduce their environmental impact.

We also complete ISO 14040-compliant cradle-to-gate LCAs for several internally produced materials. The evaluation of these intermediates allows us to better understand the potential environmental impacts of key components and processes used in the production of our products. Our LCA teams also conduct LCA screenings to help answer internal questions early in product development.

In 2020, 3M LCA teams in the United States and Europe renewed their process certifications from The International EPD® System to demonstrate that appropriate procedures are in place to produce scientifically sound, technically defensible LCAs and Environmental Product Declarations (EPDs). The teams will continue to undergo an annual recertification process that evaluates the conformance of the underlying management system with the program rules and ISO standards. This global certification of the LCA process for multiple parts of our organization is thought to be the first of its kind.

We realize that we can make far greater contributions to addressing climate change concerns by helping our customers reduce their greenhouse gas (GHG) emissions through the use of our products. To calculate these customer emission reductions toward our Science for Climate goal, we have established a process based on life cycle thinking and the ISO 14064-2 standard for comparing emissions from the project scenario against a baseline scenario. Additional details of these efforts can be found in the **Climate and energy** section of this report.

Looking forward

As the expectations of our customers, employees, investors, and stakeholders continue to increase, we are here to meet them — and grow our business — by investing in purpose-driven innovation and building it into our products, manufacturing processes, and new technologies.

Postponed in 2020, 3M will release its internal global product Change Management Process and application in 2021, consolidating more than 100 systems used today to capture product change history. Our priority is to assure changes are properly evaluated, communicated, and approved prior to implementation.

In 2021, 3M will launch its redesigned LCM system, which will integrate multiple product stewardship systems and processes onto a single platform to achieve greater visibility, consistency, and productivity in managing the extensive product stewardship and sustainability data for our more than 55,000 products.

In 2021, 3M will internally launch a revised Product Stewardship Key Performance Indicator dashboard, providing a greater emphasis on leading performance metrics and outcome-based metrics.

3M will continue building out our EHS and chemicals management audit program and continue rolling out our internal chemical management certification for product stewardship professionals.

As we continue to strengthen the SVC program, we will explore the social justice lens of product development by incorporating it into our Sustainability Value Commitments.

We will continue our strong foundation of innovation with our new internal EHS&PS organization — keeping the safety of our employees, communities, and customers top of mind.

We will explore the social justice lens of product development by incorporating it into our Sustainability Value Comittments.

Our products

Embedding a Sustainability Value Commitment in all business groups

Our commitment

3M Science drives our business forward. We use and combine our technologies in unique ways across the company, creating new products and new lines of business across our four business groups.

Starting in 2019, 100% of our products entering the new product commercialization process must describe their Sustainability Value Commitment (SVC), demonstrating how they drive impact for the greater good. This formal requirement is significant because it embeds sustainability into the pipeline that produces 3M's diverse global products.

Examples of considerations in developing SVCs for new 3M products include recyclability, energy and water savings, responsible sourcing, renewable materials, and the appropriate reuse of a product. Also included are products whose core purpose is helping to solve an environmental and/or social concern. Examples include improving air quality, reducing greenhouse gas emissions, improving patient outcomes, and enhancing worker safety in industrial settings.

3M's product requirement has a global impact on our operations in 200 countries where we operate and on the products we sell in nearly every country. It will also help our customers reach their own sustainability goals.

It's another important step forward in our ambition to apply science to improve every life — through our **Strategic Sustainability Framework** and through each of our four business groups.

For more information on our SVC, see the **Innovation management** section and our feature story **Making strides embedding sustainability into new products**.

Our actions

In 2020, we delivered sales of $32.2 billion.*

$32.2B*

2020 net sales

Our businesses

Consumer	$5.34B
Health Care	$8.35B
Safety & Industrial	$11.8B
Transportation & Energy	$8.83B

**In addition to our four business groups, $32.2B includes elimination of dual credit, and corporate and unallocated business segments.*

Safety & Industrial

Driving industrial performance – better, safer, connected

Our business focus

Our Safety & Industrial Business Group provides thousands of innovative solutions and products. By utilizing data from digitally connecting sources to connect workers, materials, and machinery, we help improve productivity and quality outcomes for our customers. Our products apply 3M Science to help protect the health and safety of workers worldwide.

Sustainability examples

- Solar radiative cooling technologies used to increase the efficiency of refrigeration and HVAC systems
- Roofing granules that harness the power of the sun to help improve air quality
- Roofing granules that keep roofs cool and save on HVAC energy
- Light-redirecting films, tapes, and materials that enable high-efficiency solar panels
- Wind protection tapes that help improve turbine uptime
- Two billion respirators manufactured globally in 2020 — tripling production since 2019 in response to increased demand from the COVID-19 pandemic

$11.8B

2020 net sales

Our businesses

Abrasives	$1.18B
Automotive aftermarket	$1.10B
Closure and masking	$0.993B
Electrical markets	$1.12B
Industrial adhesives and tapes	$2.56B
Personal safety	$4.43B
Roofing granules	$0.39B

Transportation & Electronics

Advancing transportation and a connected world

Our business focus

Our Transportation & Electronics Business Group helps our customers make the impossible possible. Our people lead innovation by developing new applications and technologies that help customers solve their most challenging problems. We are on the leading edge of building new platforms in emerging, high-growth electronics market segments, like data centers, semiconductor, and automotive electrification. We create solutions that power and connect cities, homes, cars, and people, providing real-time access to data — wherever it's needed.

Sustainability examples

- Vehicle lightweighting for fuel efficiency
- Energy-saving window films
- Water and chemical waste-reducing cleaning solutions
- **3M™ Envision™ Print Wrap Films** made in part with bio-based materials
- **Automotive electrification** using the entire breadth of 3M technologies to improve the electric vehicles' energy ecosystem and help make roads safer, smarter, and more connected
- Enhanced infrastructure for both human drivers and automated vehicles to help improve **road safety**

$8.83B

2020 net sales

Our businesses

Advanced materials	$1.04B
Automotive and aerospace	$1.61B
Commercial solutions	$1.53B
Electronics	$3.77B
Transportation safety	$0.89B

Health Care

Using the power of 3M Science to help make better health possible for people around the world

Our business focus

Our Health Care Business Group connects people, insights, science, and technology to solve problems and help make better health possible. We deliver practical, proven solutions that enable our customers to protect and improve the health of people around the world.

Sustainability examples

- Surgical, vascular, and wound care solutions improve health care outcomes, enhance the patient experience, and lower total cost of care through evidence-based solutions, education, and partnership.
- 3M™ M*Modal CDI Engage™ solution reduces the administrative burden on physicians and empowers the entire care team to drive better clinical outcomes by enabling the creation of a more complete, compliant, and accurate physician note.
- Food safety solutions help protect the health of consumers by detecting food contamination and help assure the safety of our food globally while providing a significant reduction in waste, energy, and water compared to conventional detection methods.
- 3M purification and filtration technologies are used globally to manufacture life-saving medications, including development of therapeutics to combat COVID-19.
- Innovative dental and orthodontic solutions help simplify procedures and put patients on a path toward lifelong oral health.

$8.35B

2020 net sales

Our businesses

Drug delivery	$0.146B
Food safety	$0.342B
Health information systems	$1.14B
Medical solutions	$4.79B
Oral care	$1.08B
Separation and purification sciences	$0.853B

Consumer

Bringing 3M to the hearts and minds of consumers

Our business focus

Our Consumer Business Group is home to some of our most iconic brands, including Post-it®, Scotch®, Scotch-Brite™, Filtrete™, Nexcare™, Command™, ACE™, FUTURO™, and Meguiar's®. These products simplify managing a home or a business and make lives a little easier and more efficient. Our wide array of innovative products helps make our customers healthier and stronger and helps keep homes cleaner, offices organized, and buildings well-maintained.

Sustainability examples

- **Scotch® Box Lock™ Packaging Tape** sticks instantly to any box, including harder-to-stick-to 100% recycled boxes.
- **Scotch-Brite™ Glass Cooktop Pads** clean with just water and promote chemical-free cleaning.
- **3M™ TB Quat Disinfectant Ready to Use Cleaner** is a water-based disinfecting product containing quaternary ammonium that kills 99.9% of germs and household bacteria. It is effective against SARS-CoV-2, which causes COVID-19.
- **Post-it® Flex Write Surface** can be written on with both dry-erase and permanent markers and can be wiped clean with water versus a chemical cleaning spray. With an adhesive backing that is 60% plant-based, this is a great way to resurface or refurbish existing whiteboards and chalkboards — helping to reduce overall landfill waste and the emissions tied to product transportation.
- **Scotch-Brite® Advanced Scrub Dots Non-Scratch Scrubbers** offer antimicrobial protection, and scrubbing fibers are made from 75% recycled content.
- **Filtrete™ Air Purifier - Small Room, 80 sq. ft.** is designed to reduce indoor air pollution and improve air quality in smaller spaces.
- See more examples here.

$5.34B

2020 net sales

Our businesses

Consumer health care	$0.366B
Home care	$1.07B
Home Improvement	$2.53B
Stationery and office supplies	$1.22B

Looking forward

In 2021, we will continue to drive long-term growth and productivity by focusing on new growth opportunities, increasing our focus on personal safety, home improvement and cleanliness, auto electrification, and biopharma filtration.

We will continue executing on our four priorities: portfolio management, transformation, innovation, and people and culture, as discussed in the **3M Value Model** and **Our customers** sections.

We will continue to drive long-term growth.

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About report, scope, and boundaries

Report schedule and period

Current issue: May 11, 2021

Next issue: Scheduled for May 2022

Previous issue: May 12, 2020

Before 2010, the Sustainability Report was a fully integrated website. Therefore, copies before 2010 are not available.

This report provides a summary of the activities in fiscal year 2020 (January 1, 2020, to December 31, 2020).

Organizational boundaries

This report covers 3M's owned manufacturing facilities and leased facilities worldwide, including joint ventures (if greater than 50% 3M ownership) and partially owned subsidiaries (if greater than 50% 3M ownership) where 3M has full operational control. Acquisitions are included in data sets once legally owned and fully integrated onto 3M systems. All data included in the report is global data unless otherwise specified. Any significant organization changes are identified in the **2020 Annual Report** and **2021 Proxy Statement**.

Forward-looking statement

This Sustainability Report and information on **3M.com/sustainability** contains forward-looking statements about 3M's financial and non-financial results, estimates, and business prospects that involve substantial risks and uncertainties. You can identify forward-looking statements by the use of words such as "anticipate," "estimate," "expect," "aim," "project," "intend," "plan," "believe," "will," "should," "could," "target," "forecast," and other words and terms of similar meaning in connection with any discussion of future operating, financial performance, or business plans or prospects. In particular, such statements may include but are not limited to: (1) statements which may relate to the purpose, ambitions, aims, commitments, targets, plans, and objectives of 3M; Sustainability Goal progress; the ambition to improve every life; (2) financial data or information derived from the Company's filings with the U. S. Securities and Exchange Commission; (3) environmental, health, and safety (EHS) data as it relates to the environment, safety performance, management systems, implementation, and regulatory compliance, including data collection systems at applicable sites that track and collect EHS data through the corporate-wide EHS reporting systems; (4) social data as relates to employee metrics, social practices, and community engagement programs derived from various databases from within the Human Resources and 3M Foundation organizations; (5) responsible sourcing of materials and the related responsible sourcing systems and data; (6) acquisitions and investment-related data as integrated into 3M programs and reporting systems via a prioritized functional integration schedule over time; (7) the impact of acquisitions, strategic alliances, divestitures, and other unusual events resulting from portfolio management actions and other evolving business strategies, and possible organizational restructuring; and (8) statements about actions of contractors and partners or our work with them.

Forward-looking statements are based on certain assumptions and expectations of future events and trends that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results or those reflected in any such forward-looking statements, depending on a variety of factors and circumstances, some of which are outside the control of the Company.

The Company assumes no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments.

The term "material" used in this report refers to the "material topic" definition of the Global Reporting Initiative. It is used to refer to relevant topics, which potentially merit inclusion in the report and that can reasonably be considered important for reflecting the organization's economic, environmental, and social impacts, or influencing the decisions of stakeholders.

"Material" for the purposes of this report should not, therefore, be read as equating to any use of the word in other Company reporting or filings with the SEC. No part of this Sustainability Report or **3M.com/sustainability** constitutes, or shall be taken to constitute, an invitation or inducement to invest in 3M or any other entity and must not be relied upon in any way in connection with any investment decisions.

A further description of risk factors affecting 3M is located in 3M's **Annual Report on Form 10-K** under "Cautionary Note Concerning Factors That May Affect Future Results" and "Risk Factors" in Part I, Items 1 and 1A; and in 3M's Quarterly Reports (Form 10-Q) in Part I, Item 2; and Part II, Item 1A, as updated by applicable Current Reports on Form 8-K.

Data collection, adjustments, and verification

The data provided in this report through facts and figures is based on activities during 3M's fiscal year 2020. For some performance indicators, the previous year's data are provided to allow for annual comparisons.

Report data collection

Due to the size and geographical extent of our operations, it is, at times, difficult to obtain all data points. Therefore, to the extent possible, limitations and assumptions are stated as information in the report. This report's data has been reviewed for accuracy and completeness, including the reliability of the systems used to obtain the data.

Unless noted below, corporate staff have also verified the implementation of policies and management systems through audits and self-reporting systems.

- **Financial data.** Financial information referenced in this report is collected and reported in accordance with the applicable requirements for the 2020 Annual Report on Form 10-K.
- **Environmental, health, and safety (EHS) data**. The EHS data in this report is related to the environment, safety performance, management systems, implementation, and regulatory compliance. Data collection systems are in place at applicable sites to track and collect environmental, health, and safety data through the corporate-wide EHS reporting systems (e.g., Environmental Targets Database, EHS 360, etc.).
- **Social data.** The data related to employee metrics, social practices, and community programs has been derived from various databases from within the Human Resources and 3M Foundation organizations. This data has been reviewed and verified by the departments responsible for maintaining the internal reporting systems.
- **Responsible sourcing systems and data.** The policies and management systems implementation in this area have been reviewed and verified by the departments responsible for maintaining the internal reporting systems.

Sites acquired by 3M are integrated into 3M programs and reporting systems via a prioritized functional integration schedule. Timeframe for integration varies depending on subject-matter reporting requirements and site systems before being acquired; however, on average, integration ranges from one to three years.

Base year and other adjustments

3M's 2020 Annual Report and **Investor Relations** website document any changes to financial data. Several of 3M's environmental goals are normalized per net sales. 3M does not adjust sales data for inflation.

3M generally does not adjust its base-year environmental metrics data to reflect changes in 3M's organizational structure. As a result, 3M sets environmental targets that are normalized or indexed to production (tons emitted or net sales) to assure the environmental progress we report to the public is not unduly influenced by changes to our organizational structure. However, in the case of our greenhouse gas emissions data, 3M follows the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD) GHG Protocol. Consequently, we readjust our greenhouse gas emissions base-year data in the case of business acquisitions and divestitures.

Whenever feasible, 3M adjusts base-year and other years' data if data collection methods change or data errors are identified. Any significant changes in the measurement methods and/or data values applied to key environmental metrics from previous years are disclosed in the report. Significant changes are defined by this Sustainability Report as changes greater than 5% of the original data point.

Between 2005 and 2010, 3M adopted a holistic definition of waste to drive the company's waste reduction efforts toward more sustainable solutions, such as pollution prevention. 3M's waste reduction goal and progress during this period included recycling. In 2011, 3M returned to a more conventional definition of waste that considered recycling as neutral (contributing neither toward total waste nor toward good output).

3M's 2025 Sustainability Goals utilize 2015 as the base year. Starting in 2016, waste disposed and waste by disposal type do not include waste-to-energy. Total hazardous and total non-hazardous waste include waste-to-energy.

In 2018, we identified an opportunity for classification of our manufacturing sites for a portion of our greenhouse gas (GHG) emissions aligning to our 2002 inventory. This change impacted calculation methodologies for energy and waste GHG estimations therefore, limiting direct comparability of Scope 1, Scope 2, and Scope 3 Category 5 between reporting year 2017 and 2018.

For this reason, reporting years 2017 and 2018 Scope 1 and Scope 2 GHG emissions year-on-year comparison should be viewed as an estimate. The 2018 GHG inventory is fully comparable with baseline year 2002.

In 2020, Scope 3 Category 5 (waste generated in operations) values were calculated at a 28.1% reduction from 2019 to 2020. This decrease is the result of further optimizing our model by increasing representation of actual data by 36.4%. The previous year values overestimated waste. The methodology within the model remained the same year-over-year.

In 2019, the value of GHG Scope 3 Category 2 (capital goods) substantially increased due to updated emission factors and an increase in gross property, plant, and equipment put into service. This increase does not impact previously reported Scope 3 Category 2 values, and the 2019 Scope 3 Category 2 value is comparable with previous years.

At the beginning of 2020, 3M changed its business segment reporting in its continuing effort to improve the alignment of business around markets and customers. Additionally, 3M consolidated the way it presents geographical area data by providing an aggregate USAC geographic region (combining United States and Canada areas).

In 2020, to be consistent with global reporting standards and guidelines, we adjusted the energy metric units from MMBtu to MWh. Through 2020, we used 0.293071 as the conversion factor to adjust MMBtu to MWh. Starting in 2021, energy metrics will be collected in 3M's energy database in MWh.

Data verification

Internal verification. 3M has conducted an internal verification of the information provided in this report. The objectives for our assurance process included:

- Accuracy and completeness of data
- Reliability of systems used to measure and record data
- Reliability of ratios compiled from underlying data
- Adherence to the GRI Standards
- Implementation of internal policies and related management systems as reported
- Presentation of a complete and fair picture in the report as a whole

Third-party verification. APEX Companies, LLC ["Assurance Provider" or "APEX"] provided independent third-party assurance for this report covering activities January 1, 2020, to December 31, 2020. APEX provided moderate-level assurance in accordance with AA1000AS-2008, Type 2. APEX's assurance letter can be found in the report under **Assurance Statement**.

Global principles and guidelines

We continue to review global reporting frameworks and the evolving efforts of existing reporting frameworks to streamline reporting requirements. We've reviewed the "World Economic Forum's Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" white paper released in September 2020. Many of the material issues from the white paper have already been incorporated into this report based on our strategic reporting strategy and other existing frameworks.

Global Reporting Initiative

The Global Reporting Initiative (GRI) is a network-based organization that includes representatives from business, government, labor, third-party advocacy groups, and academia. The GRI organization has developed a framework for sustainability reporting. Following the GRI sustainability framework advances two important objectives: transparency and the ability to compare results from one organization to another. 3M has developed this report using GRI Standards. The GRI index outlines where specific GRI reporting elements and indicators are addressed in the report or other reporting sources, including the 2020 Annual Report, 2021 Proxy Statement, and/or other noted sources on **3M's Investor Relations** website.

Our priority topic areas are identified in our **sustainability priority matrix**, the **GRI index** and reflected in our sustainability goals, aligned to the three pillars of our Strategic Sustainability Framework: Science for Circular, Science for Climate, and Science for Community. 3M self-declares this report has been prepared in accordance with the GRI Standards: comprehensive option.

TCFD

3M supports the Task Force on Climate-related Financial Disclosures' (TCFD) recommendations for helping businesses disclose climate-related financial information. See the **Climate and energy** section for disclosures.

United Nations Global Compact (UNGC) Communication on Progress (COP)

The UNGC is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. In 2014, we became a United Nations Global Compact (UNGC) participant, thereby committing to align our operations and strategies with the UNGC principles on business and human rights. This report includes an index of our COP implementing the 10 principles as well as alignment with the United Nations 2030 Sustainable Development Goals (SDGs) within the content of this 2021 Sustainability Report.

Sustainability Accounting Standards Board (SASB)

For our Sustainability reporting strategy, we utilize multiple tools and frameworks to assure we are objective, transparent, and globally relevant in our public reporting process. This includes **GRI**, **SASB**, and the **UN SDGs**.

With corporate operations in over 70 countries and sales in nearly all countries, our strategy is designed to be holistic. GRI was selected as the primary source referenced due to the global reach of the standard.

For SASB, our diversity of operations would not be represented by their current industry standard classifications. Using our 51 Technology Platforms, our integrated team of scientists and researchers works with customers to create breakthroughs via our Consumer, Transportation & Electronics, Safety & Industrial, and Health Care business groups.

In this year's report, we detail our efforts on our **2020 materiality assessment**. Before conducting this assessment, we reviewed and integrated SASB's approach to materiality and materiality map to help prioritize the most important focus areas.

UNGC Principles and 2030 SDGs

Refer to the GRI index table for cross-references of content in this report with the 10 Principles of the UNGC and alignment with the 2030 SDGs.

Contact 3M

It is through collaboration and partnerships that 3M can accelerate sustainability in our company to improve every life. You can contact 3M Sustainability at **Sustainability@mmm.com**.

GRI index

Global Reporting Initiative (GRI) content index and UN Global Compact Communication on Progress

UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 102: General disclosures, organization profile				
102-1	Name of the organization	3M Company		
102-2	Activities, brands, products, and services	Our products **Annual Report on Form 10-K**, pages 4-5	**194**	
102-3	Location of headquarters	3M Company 3M Center St. Paul, Minnesota, 55144-1000, United States		
102-4	Location of operations	Operations in 70-plus countries Innovation management Names of countries, **3M.com** **Annual Report on Form 10-K**, page 15	**184**	
102-5	Ownership and legal form	**Annual Report on Form 10-K**, page 1		
102-6	Markets served	Our customers Our products **3M.com** **Annual Report on Form 10-K**, page 5	**178** **194**	
102-7	Scale of the organization	Employee programs Metric tables: 3M historical metrics; social performance, employee and financial performance **Annual Report on Form 10-K**, pages 4-5, 15	**117** **222**	
102-8	Information on employees and other workers	Employee programs Metric tables: social performance, employees **Annual Report on Form 10-K**, page 6	**117** **222**	UNGC Principle 6 SDG 8, 10

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 102: General disclosures, organization profile (Cont.)				
102-9	Supply chain	Suppliers	166	
102-10	Significant changes to the organization and its supply chain	**Annual Report on Form 10-K**, pages 4-5, 71-74 About report Suppliers	 201 166	
102-11	Precautionary Principle or approach	Advancing impact Environmental, health, and safety management Innovation management	53 128 184	
102-12	External initiatives	3M Value Model Advancing impact Human rights	41 53 105	
102-13	Membership of associations	3M Value Model	41	
GRI 102: General disclosures, strategy				
102-14	Statement from senior decision-maker	Message from our Chief Executive Officer	3	
102-15	Key impacts, risks, and opportunities	Message from our Chief Executive Officer 3M Value Model	3 41	
GRI 102: General disclosures, ethics and integrity				
102-16	Values, principles, standards, and norms of behavior	Corporate Code of Conduct **Ethics & Compliance at 3M**	96	UNGC Principle 10 SDG 16
102-17	Mechanisms for advice and concerns about ethics	Corporate Code of Conduct **Report a concern or ask a question**	96	UNGC Principle 10 SDG 16
GRI 102: General disclosures, governance				
102-18	Governance structure	Corporate governance	83	
102-19	Delegating authority	Corporate governance	83	
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate governance	83	
102-21	Consulting stakeholders on economic, environmental, and social topics	3M Value Model	41	SDG 16
102-22	Composition of the highest governance body and its committees	Corporate governance **3M Board of Directors** **3M Committee Composition** **2021 Proxy Statement**, page 8-9, 20-25, 40-44	83	SDG 5, 16
102-23	Chair of the highest governance body	Michael F. Roman Chief Executive Officer Corporate governance	 83	SDG 16
102-24	Nominating and selecting the highest governance body	Corporate governance **Nominating and Governance Committee Charter**	83	SDG 5, 16

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 102: General disclosures, governance (Cont.)				
102-25	Conflicts of interest	Corporate governance Corporate Code of Conduct **3M Company Code of Business Conduct and Ethics for Members of the Board of Directors**	83 96	SDG 16
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate governance **3M Corporate Governance Guidelines**	83	
102-27	Collective knowledge of highest governance body	Corporate governance	83	
102-28	Evaluating the highest governance body's performance	Corporate governance **Nominating and Governance Committee Charter**	83	
102-29	Identifying and managing economic, environmental, and social impacts	Corporate governance 3M Value Model	83 41	SDG 16
102-30	Effectiveness of risk management processes	Corporate governance Enterprise risk	83 92	
102-31	Review of economic, environmental, and social topics	Corporate governance	83	
102-32	Highest governance body's role in sustainability reporting	Corporate governance 3M Value Model	83 41	
102-33	Communicating critical concerns	Corporate governance	83	
102-34	Nature and total number of critical concerns	*Confidentiality constraints. This information is considered business confidential; critical concerns would be taken into consideration during our Enterprise Risk Management initiative: see Enterprise risk for additional information on our mechanism used to address and resolve critical issues.* **Annual Report on Form 10-K**, pages 10-14		
102-35	Remuneration policies	Compensation **Compensation Committee Charter** **2021 Proxy Statement**, pages 16, 45-47, 52-101	113	
102-36	Process for determining remuneration	Compensation **Compensation Committee Charter** **2021 Proxy Statement**, pages 16, 45-47, 52-101	113	
102-37	Stakeholders' involvement in remuneration	Compensation **Compensation Committee Charter** **2021 Proxy Statement**, pages 16, 45-47, 52-101	113	SDG 16
102-38	Annual total compensation ratio	**2021 Proxy Statement**, page 101		
102-39	Percentage increase in annual total compensation ratio	*Not applicable. Disclosure does not cover the specific impacts that make the topic material. 3M has an established process to assure our commitment to fair and equitable pay. The breakdown to calculate the median percentage increase does not accurately reflect our workforce levels and process at 3M to assure equitable remuneration. Additional details on our process can be found in Compensation and Employee Programs; Compensation Committee Charter.*		

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 102: General disclosures, stakeholder engagement				
102-40	List of stakeholder groups	3M Value Model	41	
102-41	Collective bargaining agreements	Human rights	105	UNGC Principle 3 SDG 8
102-42	Identifying and selecting stakeholders	3M Value Model	41	
102-43	Approach to stakeholder engagement	3M Value Model	41	
102-44	Key topics and concerns raised	3M Value Model	41	
GRI 102: General disclosures, reporting practices				
102-45	Entities included in the consolidated financial statements	**Annual Report on Form 10-K**, pages 4-5 About report	201	
102-46	Defining report content and topic boundaries	3M Value Model About report	41 201	
102-47	List of material topics	3M Value Model	41	
102-48	Restatements of information	About report	201	
102-49	Changes in reporting	About report	201	
102-50	Reporting period	About report	201	
102-51	Date of most recent report	About report	201	
102-52	Reporting cycle	About report	201	
102-53	Contact point for questions regarding the report	About report **Sustainability@mmm.com**	201	
102-54	Claims of reporting in accordance with the GRI Standards	About report	201	
102-55	GRI content index	GRI and UNGC index	205	
102-56	External assurance	Assurance statement	219	
GRI 201: Economic performance				
103-1 to 103-3	Management approach disclosures	**Annual Report on Form 10-K**, pages 4-13 and 18-52		
201-1	Direct economic value generated and distributed	**Annual Report on Form 10-K**, pages 54-138 Metric tables: 3M historical metrics and financial performance	222	SDG 8, 9
201-2	Financial implications and other risks and opportunities due to climate change	Climate and energy **Annual Report on Form 10-K**, pages 10-13	151	SDG 13
201-3	Defined benefit plan obligations and other retirement plans	**Annual Report on Form 10-K**, pages 6, 91-100		
201-4	Financial assistance received from government	**Annual Report on Form 10-K**, pages 19-20, 48		

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 203: Indirect economic impacts				
103-1 to 103-3	Management approach disclosures	Communities	59	
203-1	Infrastructure investments and services supported	Communities	59	SDG 5, 9, 11
203-2	Significant indirect economic impacts	Communities	59	SDG 1, 3, 8
GRI 205: Anti-corruption				
103-1 to 103-3	Management approach disclosures	Corporate Code of Conduct	96	
205-1	Operations assessed for risks related to corruption	Corporate Code of Conduct	96	UNGC Principle 10 SDG 16
205-2	Communication and training about anti-corruption policies and procedures	Corporate Code of Conduct	96	UNGC Principle 10 SDG 16
205-3	Confirmed incidents of corruption and actions taken	Corporate Code of Conduct	96	UNGC Principle 10 SDG 16
GRI 206: Anti-competitive behavior				
103-1 to 103-3	Management approach disclosures	Corporate Code of Conduct **Antitrust and Competition Principle**	96	
206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	**Antitrust and Competition Principle** **Annual Report on Form 10-K**, pages 111-129		SDG 16
GRI 207: Tax				
103-1 to 103-3	Management approach disclosures	Corporate governance	83	
207-1	Approach to tax	Corporate governance	83	SDG 1, 10, 17
207-2	Tax governance, control, and risk management	Corporate governance	83	SDG 1, 10, 17
207-3	Stakeholder engagement and management of concerns related to tax	Corporate governance	83	SDG 1, 10, 17
GRI 302: Energy				
103-1 to 103-3	Management approach disclosures	Climate and energy	151	
302-1	Energy consumption within the organization	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, energy	151 222	UNGC Principle 7, 8 SDG 7, 8, 12, 13
302-2	Energy consumption outside of the organization	Climate and energy Metric tables: environmental performance, greenhouse gas	151 222	UNGC Principle 8 SDG 7, 8, 12, 13

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 302: Energy (Cont.)				
302-3	Energy intensity	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, energy	151 222	UNGC Principle 8 SDG 7, 8, 12, 13
302-4	Reduction of energy consumption	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, energy	151 222	UNGC Principle 8, 9 SDG 7, 8, 12, 13
302-5	Reductions in energy requirements of products and services	Climate and energy Metric tables: environmental performance, greenhouse gas	151 222	UNGC Principle 8, 9 SDG 7, 8, 12, 13
GRI 303: Water and effluents				
303-1	Interactions with water as a shared resource	Circular materials Metric tables: environmental performance, water	139 222	UNGC Principle 8 SDG 6, 12
303-2	Management of water discharge-related impacts	Environment, health, and safety management Circular materials	128 139	UNGC Principle 8 SDG 6
303-3	Water withdrawal	Circular materials Metric tables: environmental performance, water	139 222	UNGC Principle 8 SDG 6
303-4	Water discharge	Circular materials	139	UNGC Principle 8
303-5	Water consumption	Metric tables: environmental performance, water	222	UNGC Principle 8 SDG 6
GRI 305: Emissions				
103-1 to 103-3	Management approach disclosures	Climate and energy	151	
305-1	Direct (Scope 1) GHG emissions	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, greenhouse gas	151 222	UNGC Principle 7, 8 SDG 3, 12, 13, 14, 15
305-2	Energy indirect (Scope 2) GHG emissions	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, energy, and greenhouse gas	151 222	UNGC Principle 7, 8 SDG 3, 12, 13, 14, 15
305-3	Other indirect (Scope 3) GHG emissions	Climate and energy Metric tables: environmental performance, energy and greenhouse gas	151 222	UNGC Principle 7, 8 SDG 3, 12, 13, 14, 15
305-4	GHG emissions intensity	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, greenhouse gas	151 222	UNGC Principle 8 SDG 13, 14, 15
305-5	Reduction of GHG emissions	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, greenhouse gas	151 222	UNGC Principle 8, 9 SDG 13, 14, 15

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 305: Emissions (Cont.)				
305-6	Emissions of ozone depleting substances (ODS)	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, air emissions	151 222	UNGC Principle 7, 8 SDG 3, 12
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Climate and energy Metric tables: 3M historical metrics, environmental footprint; environmental performance, air emissions	151 222	UNGC Principle 7, 8 SDG 3, 12, 14, 15
GRI 306: Effluents and waste				
103-1 to 103-3	Management approach disclosures	Environmental, health, and safety management Circular materials	128 151	
306-2	Waste by type and disposal method	Environmental, health, and safety management Circular materials Metric tables: 3M historical metrics, environmental footprint; environmental performance, waste	128 139 222	UNGC Principle 8 SDG 3, 6, 12
306-3	Significant spills	Environmental, health, and safety management Metric tables: environmental performance, environmental management system **Annual Report on Form 10-K**, pages 111-129	128 222	UNGC Principle 8 SDG 3, 6, 12, 14, 15
GRI 307: Environmental compliance				
103-1 to 103-3	Management approach disclosures	Environmental, health, and safety management	128	
307-1	Non-compliance with environmental laws and regulations	Environmental, health, and safety management Metric tables: environmental performance, environmental management system **Annual Report on Form 10-K**, pages 111-129	128 222	UNGC Principle 8 SDG 16
GRI 308: Supplier environmental assessment				
103-1 to 103-3	Management approach disclosures	Suppliers **Supplier Responsibility Code**	166	
308-1	New suppliers that were screened using environmental criteria	Suppliers **Supplier Responsibility Code**	166	UNGC Principle 8
308-2	Negative environmental impacts in the supply chain and actions taken	Suppliers **Supplier Responsibility Code**	166	UNGC Principle 8
GRI 401: Employment				
103-1 to 103-3	Management approach disclosures	Employee programs	117	
401-1	New employee hires and employee turnover	Employee programs *Confidentiality constraints. We can provide total turnover rate of 10.4% but are not able to provide breakdown by age group, gender, and region.*	117	UNGC Principle 6 SDG 5, 8, 10

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 401: Employment (Cont.)				
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee programs	117	SDG 3, 5, 8
401-3	Parental leave	Employee programs	117	UNGC Principle 6 SDG 5, 8
GRI 402: Labor/management relations				
103-1 to 103-3	Management approach disclosures	Employee programs	117	
402-1	Minimum notice periods regarding operational changes	Employee programs	117	SDG 8
GRI 403: Occupational health and safety				
403-1	Occupational health and safety management system	Environmental, health, and safety management	128	SDG 8
403-2	Hazard identification, risk assessment, and incident investigation	Environmental, health, and safety management Corporate Code of Conduct	128 96	SDG 8
403-3	Occupational health services	Environmental, health, and safety management	128	SDG 8
403-4	Worker participation, consultation, and communication on occupational health and safety	Environmental, health, and safety management	128	SDG 8, 16
403-5	Worker training on occupational health and safety	Environmental, health, and safety management	128	SDG 8
403-6	Promotion of worker health	Environmental, health, and safety management	128	SDG 3
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Environmental, health, and safety management Innovation management	128 184	
403-8	Workers covered by an occupational health and safety management system	Environmental, health, and safety management Employee programs	128 117	
403-9	Work-related injuries	Environmental, health, and safety management Metric tables: health and safety; 3M historical metrics, health and safety	128 222	SDG 3, 8, 16
403-10	Work-related ill health	Environmental, health, and safety management Metric tables: health and safety; 3M historical metrics, health and safety	128 222	SDG 3, 8, 16
GRI 404: Training and education				
103-1 to 103-3	Management approach disclosures	Employee programs	117	
404-1	Average hours of training per year per employee	Employee programs	117	UNGC Principle 6 SDG 4, 5, 8, 10
404-2	Programs for upgrading employee skills and transition assistance program	Employee programs	117	SDG 8
404-3	Percentage of employees receiving regular performance and career development reviews	Employee programs	117	UNGC Principle 6 SDG 5, 8, 10

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 405: Diversity and Equal Opportunity				
103-1 to 103-3	Management approach disclosures	Corporate governance Employee diversity, equity, and inclusion **3M 2020 Diversity, Equity & Inclusion Report**	83 69	
405-1	Diversity of governance bodies and employees	Corporate governance **Corporate Officers** **Board of Directors** Employee diversity, equity, and inclusion **3M 2020 Diversity, Equity & Inclusion Report**	83 69	UNGC Principle 6 SDG 5, 8
405-2	Ratio of basic salary and remuneration of women to men	Compensation Employee diversity, equity, and inclusion **3M 2020 Diversity, Equity & Inclusion Report**	113 69	UNGC Principle 6 SDG 5, 8, 10
GRI 406: Non-discrimination				
103-1 to 103-3	Management approach disclosures	Human rights **Respectful Workplace Principle**	105	
GRI 407: Freedom of association and collective bargaining				
103-1 to 103-3	Management approach disclosures	**3M Supplier Responsibility Code** Human rights Suppliers	 105 166	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	**3M Supplier Responsibility Code** Human rights Suppliers **Supplier Responsibility Expectations**	 105 166	UNGC Principle 3 SDG 8
GRI 408: Child labor				
103-1 to 103-3	Management approach disclosures	**3M Supplier Responsibility Code** Human rights Suppliers **Supplier Responsibility Expectations**	 105 166	
408-1	Operations and suppliers at significant risk for incident of child labor	Human rights Suppliers **3M Supplier Responsibility Code**	105 166	UNGC Principle 5 SDG 8, 16
GRI 409: Forced or compulsory labor				
103-1 to 103-3	Management approach disclosures	**3M Supplier Responsibility Code** Human rights Suppliers	 105 166	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	**3M Supplier Responsibility Code** Human rights Suppliers **Supplier Responsibility Expectations**	 105 166	UNGC Principle 4 SDG 8

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 410: Security practices				
103-1 to 103-3	Management approach disclosures	Human rights	105	
410-1	Security personnel trained in human rights policies or procedures	Human rights	105	UNGC Principle 1 SDG 16
GRI 411: Rights of Indigenous peoples				
103-1 to 103-3	Management approach disclosures	**3M Supplier Responsibility Code** Human rights Suppliers	 105 166	
411-1	Incidents of violations involving rights of Indigenous peoples	*To the best of our knowledge, there were no incidents reported to the Ethics & Compliance Department related to the rights of Indigenous people in 2020.*		UNGC Principle 1 SDG 2
GRI 412: Human rights assessment				
103-1 to 103-3	Management approach disclosures	Human rights	105	
412-1	Operations that have been subject to human rights reviews or impact assessments	Human rights	105	UNGC Principle 1
412-2	Employee training on human rights policies or procedures	Human rights	105	UNGC Principle 1
GRI 413: Local communities				
103-1 to 103-3	Management approach disclosures	Communities Human rights Environmental, health, and safety management Circular materials Climate and energy Suppliers	59 105 128 139 151 166	
413-1	Operations with local community engagement, impact assessments, and development programs	3M Value Model Communities Corporate Code of Conduct Human rights Environmental, health, and safety management Circular materials Climate and energy Suppliers Our customers	41 59 96 105 128 139 151 166 178	UNGC Principle 1
413-2	Operations with significant actual and potential negative impacts on local communities	Corporate Code of Conduct Enterprise risk Human rights Environmental, health, and safety management Climate and energy Circular materials Suppliers	96 92 105 128 151 139 166	UNGC Principle 1 SDG 1, 2

Disclosure number	Description	Cross-reference	Page #	Connections to United Nations Initiatives*
GRI 414: Supplier social assessment				
103-1 to 103-3	Management approach disclosures	Suppliers	166	
414-1	New suppliers that were screened using social criteria	Suppliers	166	UNGC Principle 2 SDG 5, 8, 16
414-2	Negative social impacts in the supply chain and actions taken	Suppliers	166	UNGC Principle 2 SDG 5, 8, 16
GRI 415: Public policy				
103-1 to 103-3	Management approach disclosures	Corporate governance **Lobbying and Political Activities Principle**	83	
415-1	Political contributions	Corporate governance **Lobbying and Political Activities Principle** **Lobbying and Political Activities Governance**	83	UNGC Principle 10 SDG 16
GRI 416: Customer health and safety				
103-1 to 103-3	Management approach disclosures	Innovation management **Product Safety, Quality, and Stewardship Principle**	184	
GRI 417: Marketing and labeling				
103-1 to 103-3	Management approach disclosures	Innovation management **Product Safety, Quality, and Stewardship Principle**	184	
GRI 418: Customer privacy				
103-1 to 103-3	Management approach disclosures	**Data Privacy Principle** **3M Global Privacy Policy**		
GRI 419: Socioeconomic compliance				
103-1 to 103-3	Management approach disclosures	Corporate Code of Conduct	96	
419-1	Non-compliance with laws and regulations in the social and economic area	Significant legal actions for non-compliance with laws and regulations in the social and economic area would be discussed in our **Annual Report on Form 10-K**, pages 111-129		SDG 16

**United Nations Global Compact Principles* and *United Nations Sustainable Development Goals*

SASB index

Sustainability Accounting Standards Board

Dimension	General Issue Category	Cross-reference	Page #
Environment	GHG emissions	Climate and energy Metric tables: 3M historical metrics; environmental performance, greenhouse gas and energy	151 222
	Air quality	Climate and energy Metric tables: 3M historical metrics; environmental performance, air emissions	151 222
	Energy management	Climate and energy Metric tables: 3M historical metrics; environmental performance, greenhouse gas and energy	151 222
	Water and wastewater management	Environmental, health, and safety management Circular materials Metric tables: 3M historical metrics; environmental performance, water and environmental management system	128 139 222
	Waste and hazardous materials management	Environmental, health, and safety management Circular materials Metric tables: 3M historical metrics; environmental performance, waste	128 139 222
	Ecological impacts	Environmental, health, and safety management Circular materials Climate and energy Suppliers Metric tables: 3M historical metrics; environmental performance	128 139 151 166 222
Social capital	Human rights and community relations	Corporate Code of Conduct Suppliers Human rights **Ethics & Compliance**	96 166 105
	Customer privacy	Corporate Code of Conduct Enterprise risk **3M Global Privacy Policy** **Annual Report on Form 10-K**, page 13	96 92
	Data security	Enterprise risk **Annual Report on Form 10-K**, page 13	92

Dimension	General Issue Category	Cross-reference	Page #
Social capital (Cont.)	Access and affordability	Our customers	178
	Product quality and safety	Our customers Innovation management Our products	178 184 194
	Customer welfare	Our customers Innovation management **Product Safety, Quality, and Stewardship Principle**	178 184
	Selling practices and product labeling	Our customers Innovation management **Product Safety, Quality, and Stewardship Principle** **Advertising and Product Representation Policy**	178 184
Human capital	Labor practices	Corporate Code of Conduct Human rights Suppliers **Ethics & Compliance** **Supplier Responsibility Code**	96 105 166
	Employee health and safety	Environmental, health, and safety management Metric tables: 3M historical metrics; health and safety	128 222
	Employee engagement, diversity, and inclusion	Communities Employee diversity, equity, and inclusion **3M 2020 Diversity, Equity & Inclusion Report**	59 69
Business model and innovation	Product design and life cycle management	Innovation management	184
	Business model resilience	Enterprise risk Our customers Innovation management Our products	92 178 184 194
	Supply chain management	Suppliers **Supplier Responsibility Code**	166
	Materials sourcing and efficiency	Circular materials Suppliers **Annual Report on Form 10-K**, pages 7 and 28	139 166
	Physical impacts of climate change	Climate and energy **Annual Report on Form 10-K**, pages 11-13	151
Leadership and governance	Business ethics	Corporate Code of Conduct **Ethics & Compliance**	96
	Competitive behavior	Corporate Code of Conduct **Antitrust and Competition Principle**	96
	Management of the legal and regulatory environmental	Environmental, health, and safety management **Annual Report on Form 10-K**, pages 7, 10-13, 111-129	128

Dimension	General Issue Category	Cross-reference	Page #
Leadership and governance (Cont.)	Critical incident risk management	3M Value Model Corporate governance Enterprise risk Environmental, health, and safety management Suppliers	41 83 92 128 166
	Systemic risk management	Enterprise risk **Annual Report on Form 10-K**, pages 10-13, 111-129	92

**For additional details on SASB integration for this report, see the About report section.*

Assurance statement

APEX

INDEPENDENT ASSURANCE STATEMENT

To: Stakeholders of 3M Corporation

Introduction and objectives of work

Apex Companies, LLC (Apex) was engaged by 3M Corporation (3M) to conduct an independent assurance of its 3M 2021 Sustainability Report (the Report). This assurance statement applies to the related information included within the scope of work described below and within the boundaries specified in the Report. The intended users of the assurance statement are the stakeholders of 3M. The overall aim of this process is to provide assurance to 3M's stakeholders on the accuracy, reliability and objectivity of the information included in the Report as described in the scope of work. The assurance process also evaluated 3M's management of sustainability in accordance with the principles of inclusivity, materiality, responsiveness, and impact.

The information that was assured and its presentation in the Report are the sole responsibility of the management of 3M. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

3M requested Apex to include in its independent assurance the following:

- Data included in the Report for the calendar year 2020 reporting period as shown in the attached Summary of Assured Information;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze and review the data subject to the assurance process; and
- Evaluation of the Report in accordance with the Assurance Standard AA1000AS v3[1] Type 2 assurance.

Excluded from the scope of our work is any assurance of information relating to:

- Text or other written statements associated with the Report;
- Activities outside the defined assurance period; and
- Financial data and data reported that are not included in the Summary of Assured Information.

Reporting Criteria

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2 Greenhouse Gas Emissions)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3 Greenhouse Gas Emissions)
- GRI Standards, Core Option for the assured metrics
- 3M reporting protocol.

Methodology

Apex undertook the following activities during the assurance process:

1. Interviews with relevant personnel of 3M (including managers and staff members at the corporate and site level);
2. Review of internal and external documentary evidence produced by 3M;

[1] Published by AccountAbility: The Institute of Social and Ethical Accountability

3. Audit of performance data presented in the Report including a detailed review of a sample of data;
4. Remote virtual facility visits (remote visits conducted due to COVID-19 restrictions) for manufacturing sites located in Cottage Grove, MN, USA, Hartford City, IN, USA, Kitakami, Japan, San Luis Potosi, Mexico, Wuppertal, Germany, and Zwijndrecht, Netherlands;
5. Remote review at 3M headquarters office located in Maplewood, Minnesota (remote review conducted due to restrictions from COVID-19); and
6. Review of 3M data and information systems for collection, aggregation, analysis and internal verification and review.

The work was planned and carried out to provide a moderate level of assurance and we believe it provides a sound basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed information within the scope of our assurance is not materially correct in accordance with the Reporting Criteria.
- It is our opinion that 3M has established appropriate systems for the collection, aggregation and analysis of quantitative data, including energy use, direct and indirect greenhouse gas (GHG) emissions, water consumption, waste quantities and disposition, injury and illness rate, lost day rate, severity rate, number of environmental violations, training instances, employment metrics and Sustainability Value Commitments.

A summary of data within the scope of assurance for the 2020 reporting year is attached.

Adherence to the AA1000 Accountability Principles

Based on the work undertaken during this assurance process, we are of the opinion that 3M adheres to the Accountability Principles of inclusivity, materiality, responsiveness, and impact as discussed below.

Inclusivity

Based on discussions with 3M, their processes appear to be inclusive of stakeholders. In 2020, 3M commissioned a third-party provider to update their materiality assessment and used that assessment to identify and engage stakeholders. Some of the stakeholder groups that 3M identified to include in their sustainability processes were 3M executive leadership, 3M employees, customers, non-governmental organizations, investors and the public. 3M also continues to work toward developing inclusion and diversity throughout their management structure, supporting the pipeline of diverse talent in management across its global operations.

Materiality

During the 2020 materiality assessment stakeholders indicated that 3M should take a leadership role. The Chief Technology Officer and Chief Sustainability Officer report annually to the Board's Science, Technology and Sustainability Committee regarding sustainability efforts. In addition, corporate leadership appear to support embedding sustainability principles throughout the company. In addition, 3M has set targets that reflect the material subjects and new products require a sustainability value commitment. Background information can be found in the 3M proxy statement.

Responsiveness

3M receives questions regarding sustainability from customers, investors, non-governmental organizations and others through various channels. The company has guidance for responding to customer inquiries on sustainability issues and uses this guidance for responding to other groups as well. Responses to external reporting surveys are coordinated by the corporate sustainability group. Each business group also has sustainability leads who assist with responding to stakeholders. In addition, through the materiality assessment, 3M is building out a strategy for future sustainability efforts. External community partnership relationships are been tied to the sustainability pillars.

Impact

3M operates under appropriate processes to understand, measure, evaluate and manage the organization's impacts related to material topics. 3M ensures these processes are documented and integrated into the organization. 3M has set targets and reviews performance against those targets to measure impact. 3M has also measured impact through developing Sustainability Value Commitments for new products and development of product comparisons with respect to decreases in GHG emissions during use.

Key Observations for 2020

- Data systems at 3M allow for consolidation and review of environmental, safety, energy, training, and supply chain data at the corporate level for reporting. Automatic data compilation from the site levels and other data sources assist accurate data collection and compilation.
- Manufacturing plants were reevaluated regarding relation to water stress with the updated WRI Aqueduct™ tool. The plants newly identified as being located in extremely high-risk water stressed areas are developing plans and projects regarding water use and water conservation.
- 3M has made commitments to decrease the overall carbon footprint as evidenced by purchasing power from renewable sources for the corporate facilities as well as renewable energy credits.
- 3M continued to work within their supply chain, specifically with paper providers and minerals suppliers, to engage higher Tier suppliers to ensure sustainable practices are being followed.
- Community outreach and support is aligned with the 3M sustainability pillars to demonstrate overall commitment and direction to social and sustainability goals. Corporately, the 3M Foundation provides funding to targeted non-profit organizations in the U.S. and within their global footprint. 3M engagement extends to the facility level and local communities.

Statement of independence, integrity and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the assurance team has a business relationship with 3M, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 30 years combined experience in this field and an excellent understanding of Apex's standard methodology for the Assurance of Sustainability Reports.

Attestation:

John A. Rohde, Lead Verifier
Lead Assuror
Lakewood, Colorado

Trevor Donaghy, Technical Reviewer
Technical Reviewer
Pleasant Hill, California

APEX

Apex Companies, LLC
Denver, Colorado
April 14, 2020

AA1000
Licensed Report
000-54/V3-VBJ3T

Summary of Assured Information
Reporting Year 2020
3M Company

APEX

Demographic Metrics	Units	Value
Total Global Full-time Equivalent (Headcount)	Total Number	95,500
Total Global Employees at Year-End (Headcount)	Total Number	96,100
Total Number Part-Time Employees	Total Number	1,810
Total Number Full-Time Employees	Total Number	94,300
Percentage of Female Employees to Total Employees	%	36.7
Percentage of Female Employees in Management Positions	%	32.6
Percentage of females on 3M Board of Directors	%	33.3
Global diversity index: % diversity in management	%	43.2

Environmental Management System Metrics	Units	Value
Total Number of Significant Spills (Spills reported in 10K reporting)	Total Number	0
Number of Significant Fines (Fine or penalty >$10,000)	Total Number	0
Total Monetary Value of Significant Fines	Million $USD	0

Health and Safety Metrics	Units	Value
Global Lost Time Incident Rate	Per 100 3M employees (200,000 work hours)	0.331
Global Recordable Incident Rate	Per 100 3M employees (200,000 work hours)	0.967
Work Related Fatalities - 3M Employees	Total Number	0
Work Related Fatalities - 3M Contractors	Total Number	0
Work Related Fatalities - Total Number	Total Number	0

Waste Metrics	Units	Value
Zero Landfill	% of Total Manufacturing Sites	42.9%
Waste Disposed: Landfill, Treatment and Incineration (Absolute)	Metric Tons	151,000
Waste by Disposal Type, Incineration	Metric Tons	54,800
Waste by Disposal Type, Landfilled	Metric Tons	96,600
Total Hazardous Waste (Absolute)	Metric Tons	58,300
Total Nonhazardous Waste (Absolute)	Metric Tons	182,000
Total Waste Diverted (Absolute)	Metric Tons	295,000
Waste-to-Energy	Metric Tons	88,400
Onsite Recycle & Reuse	Metric Tons	48,400
Offsite Reuse	Metric Tons	29,000
Offsite Recycle	Metric Tons	129,000

Water Metrics	Units	Value
Total Water Use (Absolute)	Million Cubic Meters	44.7
Sites located in Water Stress/Scarce Areas; water sources significantly affected by withdrawal of water with water conservation	Total Number	16

Supplier Responsibility Metrics	Units	Value
Total Number of Suppliers	Total Number	72,300
Total Number of Supplier Reviews	Cumulative Number since 2008	7,390

Energy Metrics	Units	Value
Total Energy Use (Absolute)	MMBTUs	27,600,000
Total Energy Use (Absolute)	MWh	8,070,000
Total Fuel Oil #1, #2, #6	MWh	222,000
Total Jet Fuel	MWh	7,550
Total Propane	MWh	29,300
Total Gasoline and Diesel	MWh	29,600
Total Coal	MWh	0
Total Natural Gas	MWh	4,480,000
Total Electricity Consumption	MWh	3,070,000
Total Steam Consumption	MWh	304,000
Total Hot Water	MWh	2,770
Renewable Energy	% Total Electricity Use	35.4

Other Metrics	Units	Value
Customer GHG Avoidance through 3M Product Use	Million Metric Tons CO2e	16.6
Total Training Instances - 2020		418,000
Percent New Projects Passing a "Gate" with Sustainability Value Commitment		100%
3M Impact Volunteer Hours		14,600

Air Emissions Metrics	Units	Value
Absolute Scope 1 Emissions (Direct)	Metric Tons CO2e	3,600,000
Absolute Scope 2 Location-based Emissions (Indirect)	Metric Tons CO2e	1,680,000
Absolute Scope 2 Market-based Emissions (Indirect)	Metric Tons CO2e	1,250,000
Absolute Scope 1 and Scope 2 Market-based Emissions (Indirect)	Metric Tons CO2e	4,850,000
Total Scope 3 GHG Emissions (Upstream)	Metric Tons CO2e	8,840,000
Total Scope 3 GHG Emissions (Downstream)	Metric Tons CO2e	438,000
Category 1 - Purchased Goods and Services	Metric Tons CO2e	6,270,000
Category 2 - Capital Goods	Metric Tons CO2e	459,000
Category 3 - Fuel and Energy Related Activities	Metric Tons CO2e	556,000
Category 4 - Upstream Transportation and Distribution	Metric Tons CO2e	1,080,000
Category 5 - Waste Generated in Operations	Metric Tons CO2e	138,000
Category 6 - Business Travel	Metric Tons CO2e	13,300
Category 7 - Employee Commuting	Metric Tons CO2e	324,000
Category 9 - Downstream Transportation and Distribution (2020)	Metric Tons CO2e	438,000
Category 13 - Downstream Leased Assets	Metric Tons CO2e	<1000
Total Volatile Organic Compound Emissions (Absolute)	Metric Tons	3,800

Metric tables

	Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Social performance, employees	Global full-time equivalent employees	Total number	91,600	91,500	93,500	96,200	95,500	-0.728	4.26
	Global employees (headcount)	Total number	92,500	92,400	94,300	96,800	96,100	-0.723	3.89
	Total number part-time employees	Total number	2,390	2,330	2,100	1,950	1,810	-7.18	-24.3
	Total number full-time employees	Total number	90,100	90,000	92,200	94,900	94,300	-0.632	4.66
	Percentage of female employees to total employees	%	34.8	34.7	35.4	36.2	36.7	1.38	5.46
	Percentage of female employees in management positions	%	27.8	29.1	30.3	31.1	32.6	4.82	17.3
	Percentage of females on 3M Board of Directors	%	16.7	25.0	30.8	33.3	33.3	0.00	99.4
	Global diversity index: % diversity in management	%	35.3	36.9	38.3	41.8	43.2	3.35	22.4
Financial performance	Net sales	Million $USD	30,100	31,700	32,800	32,100	32,200	0.312	6.98
	Operating income[1]	Million $USD	7,030	7,690	7,210	6,170	7,160	16.0	1.85
	Research, development, and related expenses[1]	Million $USD	1,760	1,870	1,820	1,910	1,880	-1.57	6.82
	Total operating expenses[1]	Million $USD	23,100	24,000	25,600	26,000	25,000	-3.85	8.23
	Net income attributable to 3M	Million $USD	5,050	4,860	5,350	4,570	5,380	17.7	6.53
	Per share-basic	Actual $USD	8.35	8.13	9.09	7.92	9.32	17.7	11.6
	Per share-diluted	Actual $USD	8.16	7.93	8.89	7.81	9.25	18.4	13.4
	Capital expenditures	Million $USD	1,420	1,370	1,580	1,700	1,500	-11.8	5.63
	Payments to providers of capital	Million $USD	2,870	3,000	3,510	3,690	3,910	5.96	36.2
	Provision for income taxes	Million $USD	2,000	2,680	1,640	1,130	1,320	16.8	-34.0

[1] *Amounts for operating income; research, development, and related expenses; and total operating expenses were reclassified back to 2015 to reflect the adoption of an accounting standard (ASU No. 2017-07, Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost) effective January 1, 2018, on a retrospective basis.*

	Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Community engagement	Total global giving	Million $USD	67.3	73.5	66.3	73.3	87.9	19.9	30.6
	Total cash donations	Million $USD	34.8	35.9	35.6	32.4	57.8	78.4	66.1
	Total in-kind donations	Million $USD	32.5	37.6	30.7	40.9	30.1	-26.4	-7.38
	3M Impact	Volunteer hours				20,600	14,600	-29.1	
Environmental performance	**Sustainability Value Commitment**								
	New product passing a "gate" with a Sustainability Value Commitment	%				100	100		
	Environmental management system — metric								
	Total number of significant spills	Total number	0	0	0	0	0		
			Significant spill: spills included in the organization's financial statement						
	Number of significant fines	Total number	0	2	0	0	0		
			Significant fine: fine or penalty over $10,000						
	Total monetary value of significant fines	Million $USD	0	0.0900	0.000	0.000	0.000		
	Environmental liability accrued at year end	Million $USD	See our Annual Report, 10-K, pages 115-126						
	Greenhouse gas — metric								
	Absolute Scope 1 emissions (direct)	Metric tons CO_2e	4,140,000	3,960,000	4,790,000	4,050,000	3,600,000	-11.1	-13.0
	Absolute Scope 2 location-based emissions (indirect)	Metric tons CO_2e	1,840,000	1,880,000	1,860,000	1,780,000	1,680,000	-5.62	-8.70
	Reduction Scope 1 and Scope 2 location-based emissions, absolute metric tons CO_2e baseline year 2002	%	67.4	68.2	63.7	68.2	71.1		
	Absolute Scope 2 market-based emissions (indirect)	Metric tons CO_2e	1,780,000	1,650,000	1,480,000	1,320,000	1,250,000	-5.30	-29.8
	Total Scope 1 and 2 GHG emissions: market-based accounting	Metric tons CO_2e	5,920,000	5,610,000	6,270,000	5,370,000	4,850,000	-9.68	-18.1
	Total GHG emissions (indexed to net sales, location-based)	Metric tons per net sales (MM $USD)	199	184	203	182	164	-9.89	-17.6
	Customer GHG reduction through use of various 3M product platforms	Million metric tons CO_2e	13.4	13.0	14.9	16.9	16.6	-1.78	23.9
	Net GHG emissions based on the categories evaluated. Due to change in boundaries, Scope 3 upstream emissions should not be compared on a year-on-year basis. Additional changes occurred to calculation methods for Scope 1 and 2 limiting comparison between reporting year 2018 and other inventory years; see **About report** section for additional information.								

Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Environmental performance (Cont.)								
Greenhouse gas — metric (Cont.)								
Total Scope 3 emissions (upstream)	Metric tons CO_2e	9,420,000	9,280,000	9,530,000	8,920,000	8,840,000		
Total Scope 3 emissions (downstream)	Metric tons CO_2e	All downstream categories were not evaluated or are de minimis.				438,000	Includes Scope 3 Category 9 only	
Scope 3, Category 1 (purchased goods and services)	Metric tons CO_2e	7,120,000	6,570,000	6,840,000	6,140,000	6,270,000	Methodology updated to calculate values based on 3M spend using U.S. EPA EEIO factors.	
Scope 3, Category 2 (capital goods)	Metric tons CO_2e	423,000	436,000	369,000	556,000	459,000		
Scope 3, Category 3 (fuel and energy-related activities, not including Scope 1 or Scope 2 emissions)	Metric tons CO_2e	607,000	631,000	596,000	578,000	556,000	Calculated from 3M primary data on energy consumption.	
Scope 3, Category 4 (upstream transportation and distribution)	Metric tons CO_2e	699,000	1,050,000	1,170,000	1,070,000	1,080,000	Does not include emissions from transportation of raw materials from suppliers.	
Scope 3, Category 5 (waste generated in operations)	Metric tons CO_2e	180,000	197,000	171,000	192,000	138,000	Calculated from 3M primary data on waste by site size or number of employees. In 2020, data representation changed; see **About report** section for more details.	
Scope 3, Category 6 (business travel)	Metric tons CO_2e	59,300	60,700	61,600	52,800	13,300	Calculated from 3M primary data on business travel. Calculations have changed; see **About report** section for details.	
Scope 3, Category 7 (employee commuting)	Metric tons CO_2e	332,000	332,000	327,000	336,000	324,000	Methodology updated to calculate values based on 3M employee headcount with U.S. EPA GHG emission factors. All historical values recalculated.	
Scope 3, Category 8 (upstream, leased assets)	Metric tons CO_2e	Included in Scope 1 or Scope 2 emissions reporting.					These emissions are included in Scope 1 and 2, because they are all under 3M operational control.	
Scope 3, Category 9 (downstream transportation and distribution)	Metric tons CO_2e	See note below on Scope 3, Category 10, 11, and 12.				438,000	Methodology developed in 2019. See the **Climate and energy** section for more information.	

Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Environmental performance (Cont.)								
Greenhouse gas — metric (Cont.)								
Scope 3, Category 10 (processing of sold products)	Metric tons CO_2e	Not evaluated; most of 3M's products are intermediates with many potential end uses. According to the GHG Protocol Scope 3 Calculation and Guidance, a company that produces intermediate products with many potential downstream applications, each with a potentially different GHG emission profile, cannot reasonably estimate the downstream emissions associated with the various end uses of the intermediate products. See the **Climate and energy** section for more information.						
Scope 3, Category 11 (use of sold products)	Metric tons CO_2e							
Scope 3, Category 12 (end of life treatment of sold products)	Metric tons CO_2e							
Scope 3, Category 13 (downstream leased assets)	Metric tons CO_2e	<1,000	<1,000	<1,000	<1,000	<1,000		
Scope 3, Category 14 (franchises)	Metric tons CO_2e	0	0	0	0	0	No franchises under this scope of boundary.	
Scope 3, Category 15 (investments)	Metric tons CO_2e	0	0	0	0	0	No investments under this scope of boundary.	
Biogenic CO_2 emissions	Metric tons CO_2e			3,080	2,530	2,830		
The data reported is in accordance to the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Corporate Value Chain (Scope 3) Accounting and Reporting Standard.								
Estimated Scope 3 data uncertainty is ±50% (WRI/WBCSD, GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2011). A baseline reporting year had not been established for Scope 3 emissions.								
Scope of boundary for the GHG metric is determined using the control approach to GHG emissions accounting as defined in the GHG Protocol Corporate Reporting and Accounting Standard. Additional information can be found in the **About report** section.								
Air emissions — metric								
Total volatile organic compound emissions (absolute)	Metric tons	4,690	4,620	4,420	3,940	3,800	-3.55	-19.0
Total volatile organic compounds emissions (indexed to net sales)	Metric tons per net sales (MM $USD)	0.156	0.146	0.135	0.123	0.118	-4.07	-24.4
Energy — metric								
Total energy use (absolute)	MMBtu	29,000,000	29,600,000	29,900,000	29,100,000	27,600,000	-5.15	-4.84
Total energy use (absolute)	MWh	8,490,000	8,670,000	8,750,000	8,540,000	8,070,000		
Total energy (indexed to net sales)	MWh per net sales (MM $USD)	282	274	267	266	251	-5.64	-11.0
Improved energy efficiency, indexed to net sales baseline year 2015	%	-2.55	0.364	2.91	3.27	8.73		
Renewable energy	% of total electricity use	7.60	17.9	26.8	32.6	35.4		

Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Energy — metric (Cont.)								
Total fuel oil #1, #2, #6	MWh	350,000	330,000	326,000	299,000	222,000	-25.8	-36.6
Total jet fuel	MWh	46,700	40,600	30,400	29,000	7,550	-74.0	-83.8
Total propane	MWh	55,800	52,000	56,800	42,000	29,300	-30.2	-47.5
Total gasoline and diesel	MWh	45,300	45,500	53,300	43,900	29,600	-32.6	-34.7
Total coal	MWh	0	0	0	0	0		
Total natural gas	MWh	4,510,000	4,600,000	4,730,000	4,610,000	4,480,000	-2.82	-0.665
Total hot water	MWh	2,220	2,110	2,660	3,420	2,770	-19.0	24.8
Total electricity consumption	MWh	3,130,000	3,250,000	3,180,000	3,060,000	3,070,000	0.327	-1.92
Total steam consumption	MWh	347,000	357,000	370,000	362,000	304,000	-16.0	-12.4
Total heating consumption	MWh	5,360,000	5,430,000	5,570,000	5,390,000	5,050,000	-6.52	-6.01
Scope of boundary for the energy metric includes 3M locations larger than 30,000 square feet. Additional scope information can be found in the **About report** section.								
Waste — metric								
Zero landfill	% of total manufacturing sites	26.6	27.9	30.4	35.4	42.9	21.2	61.3
Waste disposed: landfill, treatment, and incineration (absolute)	Metric tons	161,000	160,000	151,000	147,000	151,000	2.72	-6.21
Waste disposed: landfill, treatment, and incineration (indexed to net sales)	Metric tons per net sales (MM $USD)	5.33	5.07	4.62	4.57	4.69	2.63	-12.0
Waste reduction in manufacturing, indexed to net sales baseline year 2015	%	-2.30	2.69	11.3	12.3	9.98		
Waste by disposal type, incineration	Metric tons	44,100	45,200	43,600	41,600	54,800	31.7	24.3
Waste by disposal type, landfilled	Metric tons	116,000	115,000	108,000	106,000	96,600	-8.87	-16.7
Starting in 2016, waste disposed and waste by disposal type does not include waste-to-energy. Total hazardous and total nonhazardous waste below includes waste-to-energy.								
% data coverage total waste (absolute), normalized to transfer value of shipments (TVOS) or sales value of production (SVOP)	%	98	98	99	99	99	% data coverage total waste (absolute) normalized should not be compared on a year-on-year basis. See below.	
Starting in 2020, 3M will use the transfer value of shipments (TVOS) to measure the value of manufactured goods shipped from a site. Prior to 2020, 3M used the sales value of production (SVOP).								

Environmental performance (Cont.)

	Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Environmental performance (Cont.)	**Waste — metric (Cont.)**								
	Total hazardous waste (absolute)	Metric tons	43,600	43,900	43,400	50,800	58,300	14.8	33.7
	Total nonhazardous waste (absolute)	Metric tons	180,000	188,000	187,000	185,000	182,000	-1.62	1.11
	Total waste diverted (absolute)	Metric tons	284,000	307,000	312,000	317,000	295,000	-6.94	3.87
	Waste-to-energy	Metric tons	63,100	71,600	79,100	88,100	88,400	0.341	40.1
	Onsite recycle and reuse	Metric tons	56,700	60,400	63,300	56,900	48,400	-14.9	-14.6
	Offsite reuse	Metric tons	27,600	31,500	32,900	28,900	29,000	0.346	5.07
	Offsite recycle	Metric tons	137,000	143,000	137,000	143,000	129,000	-9.79	-5.84
	Deep well injection	Per 3M's Waste Management Program Standard, deep well injection is not acceptable waste management practice for use by any 3M location.							
	Scope of boundary for the waste metric includes 3M manufacturing locations with total output over 4.54 metric tons per year (10,000 pounds). Additional scope information can be found in the **About report** section.								
	Water— metric								
	Total water use (absolute)	Million cubic meters	44.8	46.0	45.8	41.9	44.7	6.68	-0.223
	Total water use (indexed to net sales)	Million cubic meters per net sales (MM $USD)	0.00149	0.00145	0.00140	0.00131	0.00139	6.11	-6.71
	Increase in water efficiency, indexed to net sales baseline year 2015	%	-7.19	-4.32	-0.719	5.76	0.00		
	Scope of boundary for the water metric includes 3M manufacturing locations with total output over 4.54 metric tons per year (10,000 pounds). Additional information can be found in the **About report** section.								
	Sites located in water-stressed/scarce areas; water sources significantly affected by withdrawal of water with water conservation planning efforts	Total number	25	25	25	18	16	-11.1	-36.0
	Scope of boundary for water-stressed or scarce areas includes 3M locations with annual water use equal to or greater than 1,000 cubic meters were in water-stressed areas defined by the extremely high baseline water-stress value according to the World Business Council for Sustainable Development (WBCSD) Global Water Tool™ for years prior to 2019. Starting in 2019, we utilized the World Resources (WRI) Aqueduct tool with the same scope of boundary.								
Supplier responsibility	Total number of suppliers	Total number	88,200	85,100	78,700	63,900	72,300	13.1	-18.0
	Total number of supplier reviews	Cumulative number (since 2008)	5,120	5,790	6,350	6,920	7,390	6.79	44.3

	Metric Tables	Metric units	RY-2016	RY-2017	RY-2018	RY-2019	RY-2020	2019-2020 Annual change, %	2016-2020 Five-year change, %
Health and safety	Global lost time incident rate	Per 100 3M employees (200,000 work hours)	0.304	0.341	0.292	0.311	0.331	6.43	8.88
	Global recordable incident rate	Per 100 3M employees (200,000 work hours)	1.20	1.16	1.10	1.11	0.967	-12.9	-19.4
	Work-related fatalities: 3M employees	Total number	1	0	0	0	0		
	Work-related fatalities: 3M contractors	Total number	0	1	1	0	0		
	Work-related fatalities: total number	Total number	1	1	1	0	0		
	Health and Safety Training Academies	Customer training instances		121,000	528,000	589,000	418,000	See **Our customers** for training instances definition.	

3M historical metrics

	Metric Tables	Metric units	RY-2002	RY-2005	RY-2010	RY-2015	RY-2020	Historical reporting change, %
Historical metrics	Net sales	Million $USD	16,300	21,200	26,700	30,300	32,200	97.5
	Environmental footprint							
	Absolute Scope 1 emissions (direct)	Metric tons CO_2e	16,800,000	10,100,000	4,280,000	3,770,000	3,600,000	-78.6
	Absolute Scope 2 location-based emissions (indirect)	Metric tons CO_2e	1,540,000	1,700,000	1,940,000	1,860,000	1,680,000	9.09
	Total absolute Scope 1 and Scope 2 GHG emissions: location-based accounting	Metric tons CO_2e	18,300,000	11,800,000	6,220,000	5,630,000	5,280,000	-71.1
	Total Scope 1 and Scope 2 greenhouse gas emissions (indexed to net sales, location-based)	Metric tons per net sales (MM $USD)	1,120	557	233	186	164	-85.4
	2012-2016 U.S. EPA GHG-MRR/IPCC AR5 based inventory accounting is not directly comparable to 2002-2011 WRI/IPCC TAR, AR4 based GHG accounting. 2002 inventory recalculated according to U.S. EPA GHG-MRR/IPCC AR5 methodology (2.7% increase in absolute emissions over original reported value).							
	Total volatile organic compound emissions (absolute)	Metric tons		6,800	6,070	4,840	3,800	-44.1
	Total volatile organic compounds emissions	Metric tons per net sales (MM $USD)		0.321	0.228	0.160	0.118	-63.2
	Total energy use (absolute)	MMBtu		27,900,000	26,800,000	28,400,000	27,600,000	-1.08
	Total energy use (absolute)	MWh		8,170,000	7,860,000	8,320,000	8,070,000	

Metric Tables		Metric units	RY-2002	RY-2005	RY-2010	RY-2015	RY-2020	Historical reporting change, %
Historical metrics (Cont.)	Total energy (indexed to net sales)	MWh per net sales (MM $USD)		385	294	275	251	-35.0
	Waste disposed: landfill, treatment and incineration (absolute)	Metric tons		145,000	136,000	158,000	151,000	4.14
	Waste disposed: landfill, treatment and incineration (indexed to net sales)	Metric tons per net sales (MM $USD)		6.84	5.09	5.21	4.69	-31.4
	Starting in 2016, waste disposed and waste by disposal type does not include waste-to-energy. Total hazardous and total nonhazardous waste below includes waste-to-energy.							
	Total hazardous waste (absolute)	Metric tons		47,700	42,300	45,600	58,300	22.2
	Total nonhazardous waste (absolute)	Metric tons		132,000	134,000	172,000	182,000	37.9
	Total water use (absolute)	Million cubic meters		49.0	43.0	42.2	44.7	-8.78
	Total water use (indexed to net sales)	Million cubic meters per net sales (MM $USD)		0.00231	0.00161	0.00139	0.00139	-39.8
	Health and safety							
	Global lost time incident rate	Per 100 3M employees (200,000 work hours)		0.594	0.364	0.321	0.331	-44.3
	Global recordable incident rate	Per 100 3M employees (200,000 work hours)		1.85	1.56	1.22	0.967	-47.6

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