



3M United Kingdom PLC: modern slavery statement

This statement has been published in accordance with the provisions of the Modern Slavery Act 2015. It sets out the steps taken by 3M United Kingdom PLC (“3M UK”) during the financial year ending 31 December 2016 to prevent modern slavery and human trafficking in its business and supply chains.

Introduction from Christiane Gruen, Managing Director of 3M UK

We, as an organisation, are proud of the steps we have taken, and continue to take, to combat slavery and human trafficking.

As a subsidiary of 3M Company (“3M”), 3M UK is committed to respect for human rights, in our own operations and in our supply chain. 3M’s [Global Human Rights Policy](#) was adopted in 2013, and 3M became a signatory member of the UN Global Compact (UNGC) in early 2014, thereby committing to align our operations and strategies with the UNGC principles on human rights.

Within our own business, 3M’s approach for respecting human rights aligns with 3M’s Code of Conduct, which recognises the rights of employees to have a respectful workplace. 3M continues to implement our human rights programme through our global policy statements and a management system utilising self-assessments, audits and training.

3M’s [Code of Conduct](#) requires 3M employees to select and retain suppliers, contractors, outsourced manufacturers and service providers who comply with all applicable laws and regulations and align with the 3M values in the areas of labour and human rights, the environment, health and safety and ethics. 3M also has a [Supplier Responsibility Code](#), which outlines expectations for its suppliers to assure their programmes and practices, as well as those of their sub-contractors, involved in the supply of products and/or services to 3M, conform to standards that are consistent with the 3M [Supplier Responsibility Code](#).

3M’s [Supplier Responsibility Code](#) is available in eight languages and applies to the selection and retention of all 3M suppliers globally. Under this Code, 3M suppliers: are expected to comply with all labour, ethics and management systems expectations; local country labour and human resource laws; cannot use labour that is obtained through mental or physical coercion, physical punishment, slavery or other oppressive labour conditions; and cannot engage in any form of human trafficking. The latter prohibition includes forced labour and other forms of coercive conduct and also the recruitment, harbouring, transportation, provision, or obtaining of persons for commercial sex acts and the legal or illegal procurement of sex acts for anything of value.

More details on our expectations for suppliers are described in the Suppliers section of 3M’s [Sustainability Report](#).

Organisation's structure

3M United Kingdom PLC's parent company is 3M Company. 3M Company has its head office in Minnesota, USA. 3M is a global manufacturer which operates in over 70 countries and has approximately 90,000 employees worldwide.

All supply chain related actions are led by 3M EMEA GmbH as detailed in the "Our Supply Chains" section of this statement below.

Our business

3M's work can be broken down into 12 areas of expertise: automotive, commercial solutions, communications, consumer, design and construction, electronics, energy, health care, manufacturing, mining, oil & gas, safety and transportation.

Our business is organised into five business groups:

1. Consumer
2. Healthcare
3. Industrial
4. Safety and Graphics
5. Electronics and Energy

Our supply chains

3M UK's supply chain is managed by 3M EMEA GmbH ("3M EMEA"). 3M EMEA is the central and unique 3M operating entity in the Europe, Middle East and Africa (EMEA) region undertaking a centrally managed, borderless and coordinated EMEA sourcing, manufacturing, supply chain and distribution process organisation in such a manner as to centralise key strategic and decision making processes relative to the supply chain.

3M's supplier network is a diverse, broad supply chain providing the many raw materials and services needed to support global manufacturing in the areas described above. 3M has over 88,000 suppliers from more than 120 countries classified in 10 categories and over 200 sub-categories. We procure from large multinational companies like our own, and from small and medium-sized businesses. Our material suppliers have suppliers of their own – 3M is typically three-to-six tiers away from the original source of the components of our purchased materials.

Our policies on slavery and human trafficking

Policies on slavery and human trafficking of our parent company, 3M, apply to 3M UK and 3M EMEA. We have a robust stance against slavery and human trafficking as set out in our labour and employment policies and business conduct policies. These policies reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing effective systems and controls so that slavery and human trafficking does not take place within our organisation and supply chains.

1. *3M Policies on Labour and Employment*

At 3M, we believe it is essential to provide a work climate that:

- Respects the dignity and worth of individuals
- Encourages the initiative of each employee
- Challenges individual capabilities
- Provides equal opportunity

To this end, 3M has adopted strong employment, labour and worker protection principles that apply to 3M employees worldwide. We value a diverse workforce and have extensive programmes to identify, hire, educate and promote employees with a wide range of skills and attributes. 3M prohibits workplace harassment, and we respect workers' freedom to associate, which assures 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. We prohibit the use of forced or bonded labour, which we interpret to include slavery or human trafficking, or the employment of children under 16 years of age, or the minimum age established by local law if older. 3M implements robust global processes to assure the occupational health and safety of our workers and the safety of the communities in which we operate.

For a summary of 3M's policies for its facilities and employees related to labour and employment, we invite you to review the Human Rights section of our annual [Sustainability Report](#).

2. *3M's Code of Conduct*

3M's [Code of Conduct](#) clearly states the commitment of all 3M employees to compliance with all applicable laws and regulations in the conduct of our business activities. This extends to laws regarding slavery or human trafficking in the countries in which we do business. Because we want 3M's values to be clear to all with whom we do business, 3M publishes its [Code of Conduct](#) handbook in over 20 languages on the Internet.

3. *3M Supplier Responsibility Code*

3M sets a high bar for itself regarding labour and employment and it expects the same from its suppliers. The 3M [Supplier Responsibility Code](#) (and before that, our Supply Chain Policies) specifies the labour, health and safety, environment, ethics and management systems expectations we have for our suppliers. The Labour section of our [Supplier Responsibility Code](#) includes baseline requirements in the areas of:

- Freely chosen employment
- Young workers
- Working hours
- Wages and benefits
- Humane treatment
- Non-discrimination

- Freedom of association

3M expects conformance to this Code by our new and existing suppliers, anywhere in the world, and for any supplied material or service. We expect suppliers to establish programmes that are consistent with the 3M Supply Chain Policies, and this expectation is included in our global supply contracts. 3M evaluates Code conformance of existing and potential new suppliers through a self-assessment and onsite audit programme. More information about this work can be found in the Risk Assessment and Auditing section below and the Suppliers section of our [Sustainability Report](#).

Due diligence processes for slavery and human trafficking

3M has a dedicated team to address the issue of modern slavery, which consists of involvement from the following departments:

- Sourcing
- Compliance and Business Conduct
- Legal
- Human Resources
- Sustainability

This team is charged with implementing 3M's Due Diligence Management System for identifying and addressing the risks of modern slavery in our operations and our supply chains, which includes:

- Strong policies and management systems, including executive engagement
- Identification and assessment of potential risk areas in our supply chains
- Risk mitigation, including external training/capacity building and new supplier qualification
- Assessments and audits
- Reporting

Supplier contracts and certification

3M communicates its human rights and labour expectations to suppliers through contract clauses, links to 3M's website and in direct business meetings. 3M UK's General Conditions of Purchase and supplier contracts contain provisions to which suppliers agree, as a form of self-certification, that they will comply with all applicable local laws and regulations and adopt standards of business conduct that are consistent with 3M's [Business Conduct Policies](#).

3M EMEA's relevant contract templates include provisions setting out a requirement for its suppliers to comply with all 3M's expectations including 3M's [Supplier Responsibility Code](#).

We are in the process of updating 3M UK's General Conditions of Purchase for 2017. Please refer to the "Further Steps to Improve Due Diligence" section of this statement in this regard.

Risk assessment and auditing

In order to combat the risk of slavery and human trafficking, we take steps to identify those areas of our business where there may be a risk of slavery or human trafficking. As part of a global process, 3M procures key external informational resources to identify where there could be a risk of slavery and human trafficking.

3M follows a 3M supplier selection process, which could include on a risk prioritised basis an assessment of working conditions and employment practices, such as forced labour and human trafficking. Suppliers who do not pass this assessment do not qualify to supply 3M.

The focus of our risk assessment is on goods-producing suppliers that feed into our saleable products. Globally, these suppliers represent 25 per cent, or almost 22,000, 3M tier one Production Materials Suppliers and Contract Manufacturers.

For existing suppliers, 3M has implemented a supplier risk evaluation process to help assure that we assess suppliers that could be at risk for non-conformance with our [Supplier Responsibility Code](#), including the human rights elements. The risk factors used in this process include geographic risk, business risk, type of operations and annual 3M purchases. We conduct this internal supplier risk evaluation process on an annual basis.

Suppliers prioritised for assessment as described above may be asked to complete a self-assessment questionnaire (“SAQ”). The SAQ is used to understand supplier programmes and whether they meet the expectations of the [Supplier Responsibility Code](#).

Following prioritised suppliers’ completion of the SAQ and review by 3M, an on-site audit may be conducted. If any deficiencies are identified during the on-site audit, a correction plan is developed. 3M conducts follow-up audits or other communications to assure that deficiencies are corrected.

3M’s supplier assessment and auditing programme is implemented by 3M’s Sourcing organisation, with oversight from the 3M EHS Advisory Committee. The supplier assessment and audit process includes a review of working conditions and employment practices, such as forced labour and human trafficking. 3M internal staff conduct announced on-site audits.

Risk mitigation

Throughout the self-assessments or on-site audits of suppliers, most suppliers have met 3M’s expectations. Those requiring improvement are given specific corrective action in order to retain 3M business. Suppliers with corrective action must pass a 3M re-qualification assessment after completing the necessary steps. Most suppliers work very quickly to address any 3M findings. Those suppliers unwilling or unable to take the necessary corrective action in a timely manner may be subject to termination by 3M.

3M’s Field Employee Relations Assessment tool is a means for 3M locations globally to analyse their policies and practices on a site self-assessment of the workplace. This tool enables local managers to identify strengths, opportunities for improvement and action plans to address

those opportunities, including a review of practices related to 3M's [Global Human Rights Policy](#). Elements include: safe and healthy workplace, respectful workplace, workplace security, work hours and wages, freedom of association, child labour, forced labour or recruitment fees to obtain employment. Evaluations are integrated into other assessment and management processes, based on material issues, regardless of where they are identified within the value chain. Sites can then request the assistance of 3M Corporate staff, including Employee Relations and the Office of General Counsel, for help addressing any issues that may be identified.

Training

All relevant non-production employees are required to review and certify compliance with our [Code of Conduct](#) on an annual basis and complete a series of mandatory business conduct trainings based on the employee's role and area of responsibility.

To assure that employees are aware of 3M policies related to human rights, including modern slavery and human trafficking, 3M offers a comprehensive online compliance training programme to all employees worldwide. The training modules are assigned to employees based on their role and area of responsibility. Completion of 3M's Code of Conduct and Ethical Decision Making Course is required for most new employees and is required for all relevant employees on a two-year cycle. This course includes content on 3M's [Respectful Workplace Principle](#), 3M's Human Rights Policy and 3M's commitment to human rights. This course also provides awareness to employees about 3M's expectation for reporting all suspected violations of law or 3M Code and the different channels available for raising such concerns.

In addition to this course, a specific human trafficking course was deployed in 2016 (*Introduction to Eliminating Forced Labour, Slavery and Human Trafficking from the Global Supply Chain*) to global employees in 3M's Sourcing, Supply Chain, and Legal organisation.

3M released an awareness video to employees companywide on 3M's commitment to human rights principles of the UN Global Compact, in which several 3M executives explicitly address our dedication to combatting slavery and human trafficking. Finally, 3M's website also has information on corporate policies, as well as links and additional information on how to report any concerns.

Reporting concerns/grievance mechanisms

Pursuant to the 3M [Code of Conduct](#), employees are responsible for notifying management when they suspect that a violation of law or our policies has occurred or is likely to occur. 3M has several means by which an individual can report his or her concerns. An employee or any third party, including customers, suppliers or the general public, may report a concern online or by phone, and may do so anonymously, if local law allows, through 3M's Compliance and Business Conduct independent third-party vendor, EthicsPoint, available [here](#). In addition, employees have several additional channels to report issues or concerns, including their supervisor, 3M management, 3M Legal Counsel, 3M Compliance and Business Conduct, or any Human Resources professional.

Regardless of how concerns are raised, 3M will assign an individual to assure that the concern is investigated and addressed in a timely manner. 3M does not tolerate retaliation of any kind for reporting a business conduct concern or cooperating with an investigation. 3M expects reports to be made in good faith. 3M employees in leadership roles are expected to act with integrity and honesty and to build a culture of compliance by working to prevent, detect and support the efforts to respond to potential violations of law and 3M policies.

Our effectiveness in combating slavery and human trafficking

3M is committed to measuring and continuously improving the effectiveness of our due diligence programme regarding modern slavery and human trafficking. To that end, our implementation team will develop Key Performance Indicators (KPIs) for review and ratification by our executive steering team, focusing on relevant aspects of our due diligence management system described above.

Further steps to improve due diligence

Following a review of the effectiveness of the steps we have taken in 2016, 3M UK, as part of 3M Company, intends to take the following further steps to combat slavery and human trafficking:

- We will continue to identify ways to improve employee and supplier awareness of 3M's commitment to respect human rights and efforts to prevent modern slavery and human trafficking
- We commit to keeping abreast of information on global risks of slavery and human trafficking
- We will continue to focus our assessment programmes on internal and external operations with the highest risk of potential human rights violations
- We will continue to strengthen our due diligence management system to identify and address any salient human rights issues within our sphere of influence and stay aligned with internationally-accepted frameworks like the UN Guiding Principles
- 3M will continue to strengthen contracts with suppliers and other forms of self-certification by suppliers, that suppliers will not provide products or services to 3M that use labour resulting from mental or physical coercion, physical punishment, slavery, human trafficking or other oppressive labour conditions

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement of 3M United Kingdom PLC for the financial year ending 31 December 2016. It has been approved by the board of directors of 3M United Kingdom PLC.

Signed:



Christiane Gruen, Managing Director
3M United Kingdom PLC

Date: 07 June 2017