

We are

90,000 employees helping solve some of the world's biggest challenges, connected by a single ambition.

#improvinglives

We are committed to improving our business, our planet, and every life.

Our Every Life Ambition

Imagine a world where every life is improved — where natural resources are reliably available, people have access to education and opportunity, and communities are safe, healthy, connected and thriving.

We aim to help make that world a reality. It's our Vision statement. But more than that it's a personal calling for 3M employees everywhere. A daily prescription to apply our science, our curiosity and our resources to the world's challenges, problems, needs and opportunities.

Of course, important achievements don't happen overnight. They're the result of a journey that involves constant learning, improving and innovating. Lessons are encountered along the way. Those lessons are applied

to the task at hand. And, in the end, the stories we create, the achievements of which we're most proud, reflect the meaningful difference we are able to bring to every life.

Sometimes, the answers are just what people are looking for. Sometimes, they are game-changing. Always, they are the product of purposeful collaboration — between 3Mers, 3M and customers, 3M and other organizations who share our passion for creating a better world.

Sustaining our business, and our planet, means protecting natural resources and empowering individuals and communities throughout the world to encourage progress. And above all else, it means uniting under a common goal: improve every life.

This is the continued story of our purpose: [#improvinglives](#).

A message from Inge G. Thulin

As a company serving a multitude of industries in nearly every country on the planet, we recognize the opportunity we have: to grow our business while solving some of the world's biggest problems.

This requires, first and foremost, collaboration — with our customers, partners, and stakeholders. It means understanding the everyday Sustainability challenges faced by our customers, the important commitments companies and governments have made, and how all of this impacts the bigger picture — the large, long-term societal issues that must be faced to empower generations to come.

We look forward to forging new approaches that serve both business and society.

At the same time, we recognize the progress we have made throughout 2016, which demonstrates the value of keeping Sustainability in our sights at all times, and in all of the places 3M operates:

- We continued using science to develop products that address challenges facing our customers and our global community, including enhancing human health, promoting access to clean water, increasing energy efficiency, and enabling safe work environments.
- We released a new parental leave policy that extends the amount of leave while including both biological and adoptive parents, which is designed to help all parents play active roles in their families.
- We partnered with the Smithsonian to open the new National Museum of African American History & Culture in Washington, D.C., by providing financial and product support.

“Today, some of our most important goals serve the needs of everyone on this planet.”



- A survey by the National Institute of High School Scholars ranked 3M as the top place to work for millennials.
- We convened customer conversations focused on Sustainability, and embedded Sustainability into our business strategies across the company and the globe.

We also began our journey toward our 2025 Sustainability Goals, which include investing in sustainable materials, energy efficiency, and water management; helping our customers reduce their greenhouse gas emissions through the use of our products; promoting worker and patient safety in health care and industrial settings; and strengthening our workforce by doubling 3M's pipeline of diverse leaders by 2025.

In collaboration with our customers, partners and stakeholders, 3M will reach these goals. We will continue to invest in developing products that help our customers reach their targets, while increasing our own Sustainability efforts in accordance with the UN Global Compact and its principles.

Inge G. Thulin

*Chairman of the Board, and
President and Chief Executive Officer, 3M*

A message from our Chief Sustainability Officer, Jean Bennington Sweeney

As Chief Sustainability Officer, I get the opportunity to speak to a variety of audiences about Sustainability topics.

I've talked with students, investors, 3M employees, B2B and B2C companies, consumers, government leaders, from across industries and across the globe, and there is one topic that resonates everywhere: purpose.

It's inspiring to see how the idea of working toward a greater good, and doing so with creativity and collaboration, really moves people. How recognizing individual roles in creating positive change can drive business as well as personal fulfillment.

I get to share how at 3M we have a Vision statement from our CEO that directly states our overarching purpose: to improve every life. And how a sense of purpose is at the heart of everything we do — from products to policies to partnerships.



This commitment to the greater good is growing every year. We are looking at ways to build purpose into leadership and talent development across the company, to recognize business opportunities that help our company grow while addressing societal issues, and to expand and improve our partnerships with customers and suppliers by working together toward solving their Sustainability challenges, which in turn serves us all.

As you read this report, and learn more about the journey we are on toward a greater purpose, I encourage you to think about your strengths and passions, the capability you have to impact societal issues, as well as the capabilities of your sphere of influence — your employer, your social network, your community — and see if there is opportunity for more purposeful work.

If we all recognize our opportunities and take action accordingly, the resulting impact serves individuals and society, and is, quite frankly, good for business.

Thank you for learning more about what we at 3M are doing toward #improvinglives, and for the purpose you bring to each and every day.

Jean Bennington Sweeney
Chief Sustainability Officer

“At 3M, we are driving both business growth and societal impact through purpose”

Who we are. How we work. What we create.

A sense of purpose is at the heart of how we approach every business, every idea, every product, every life and every community we touch. It is the foundation of all that follows.

Who We Are

3M employees are empowered and encouraged to pursue purpose-driven innovation.

Working in a highly collaborative environment, our scientists use 46 core technology platforms, ranging from adhesives and abrasives, to sensors and electronics materials. They leverage these technologies to invent unique, customer-inspired products that are marketed through our five business groups.

Sustainability also permeates our culture. It is formally included in our leadership behaviors and our annual performance review process. What's more, employees are educated and encouraged to "think sustainably"—at home, at work and everywhere in between. Improving lives and making the world a better place is more than a frequent conversation, it's become an expectation.

It's even become a selling point for current and potential 3M employees. Research has shown that Sustainability, and "making a difference in the world," is one of the top areas of interest for 3M employees.

How We Work

Sustainability is embedded firmly at the core of 3M and in the strategic planning process we use for every region, every market, and every business.

In each of our business groups and regions we have dedicated Sustainability leaders who develop a relevant and well-informed strategy specific to their market demands and business goals.

Annually, like many companies, we go through a strategic planning process during which our divisions and regions develop their business strategies for the next few years. However, unlike others, we formally require that each plan address Sustainability factors relevant to their market needs and business opportunities.

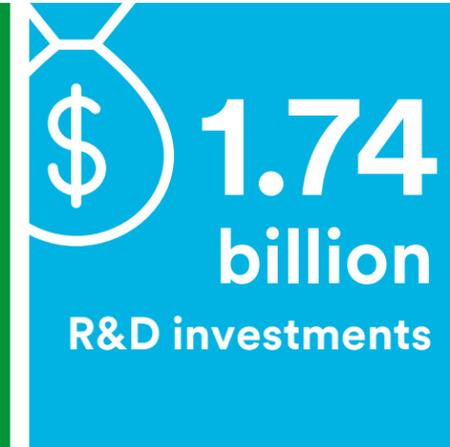
Moving forward, we will expand beyond our own operations to bring our expertise to the needs of our customers and communities. While we recognize the importance of what we do in our own businesses, and will continue to innovate there, we see that far greater impact can be realized when we partner to understand and overcome the challenges we face together.

What We Create

Our customers' challenges are our challenges. Using our 46 technology platforms and collaborative culture, we invent products that help our customers solve the issues they are facing in many areas, including health, safety, and energy. Our creative materials are inside everything from everyday products to high tech equipment. We created films that when applied to a window let light in and keep heat out, reducing the energy load on a building. We created tiny glass bubbles used to replace heavier materials in a car or airplane body achieving weight reductions without sacrificing strength and contributing to greater energy efficiencies. We created respirators, surgical drapes and single-patient use rolls of medical tape for hospitals that can help reduce waste and also reduce infection caused by cross-contamination. We created paper thin display films that reflect light, making your smart phone brighter, while requiring less battery power.

And we are not stopping here. We have established a new set of aggressive goals for 2025, ranging from investing in sustainable materials and energy efficiency, to community-wide approaches to water management and helping our customers reduce their greenhouse gas emissions.

Who We Are



How We Work



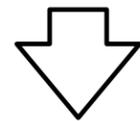
What We Create



2025 Sustainability Goals and Progress



Help our customers reduce

GHGs


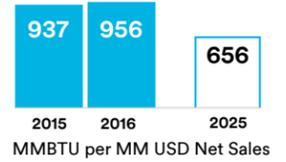
250
million tons

Help our customers reduce their GHGs by 250 million tons of CO₂ equivalent emissions through use of 3M products.

Improve energy efficiency

 **30%**

Improve energy efficiency indexed to net sales by 30%.



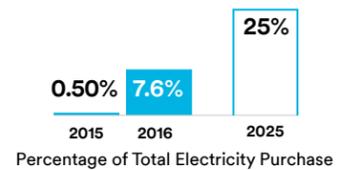
Double the pipeline of diverse talent in management to build a diverse workforce.

Provide training to **5 million people globally** on worker and patient safety.

Increase renewable energy

 **25%**

Increase renewable energy to 25% of total electricity use.

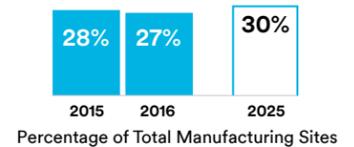


Supply Chain 

Drive supply chain Sustainability through targeted raw material traceability and supplier performance assurance.

Invest Cash and Products for education, community and environmental programs.

Achieve **global zero landfill status** at more than 30% of manufacturing sites.



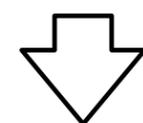
GHG emissions **50%**  below our 2002 baseline

Ensure GHG emissions at least 50% below our 2002 baseline while growing our business.

Invest

Invest to develop more sustainable materials and products to help our customers reach their environmental goals.

Reduce global manufacturing waste

 **10%**

Reduce manufacturing waste by an additional 10%, indexed to sales.



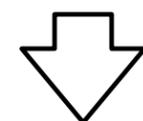
100% participation

100% participation in employee development programs to advance individual and organizational capabilities.

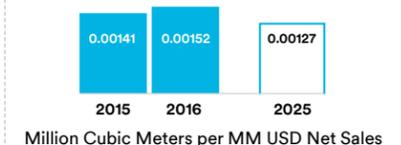
Engage Communities

Engage 100% of water-stressed/ water scarce communities where 3M manufactures on community-wide approaches to water management.

Reduce global water use

 **10%**

Reduce global water use by an additional 10%, indexed to sales.



L.A. cools down city's urban heat island effect.

On a sunny afternoon, the typically dark, impermeable surfaces of urban roofs and pavements can get warm in the sun and actually heat the air. It's called the urban heat island effect. Meanwhile, on the same sunny afternoon, the air temperature in nearby rural areas tends to be cooler — because rural surfaces are more reflective and permeable.

Urban heat islands (“UHIs”) can increase energy use, degrade air quality, and aggravate heat-related illnesses in cities. In addition, there is concern about UHIs contributing to climate change.



These issues led Los Angeles which has the highest UHI effect in California, to create an ordinance that mandates “cool roofs” for all new residential construction projects.

3M™ Cool Roofing Granules, based on a patented 3M technology, are one way Los Angeles contractors are meeting the ordinance requirements. 3M Cool Roofing Granules reflect sunlight and heat that other shingles would typically absorb. This helps reduce urban heating as well as lower energy consumption in climates with year-round cooling needs — like Los Angeles. Many of the shingles that contain 3M Cool Roofing Granules meet Energy Star requirements, making them one of the premiere choices for green building.



New Expanded Parental Leave Benefits

WorldSkills™ Partnerships

3M is a Global Industry Partner of WorldSkills International, a not-for-profit movement that brings together industry, government, organizations, and institutions, to promote the benefits of and need for skilled trade professionals through grassroots community projects, skill competitions, and knowledge exchange. WorldSkills represents more than 45 skills in 75 member countries and regions, all working together to help prepare the workforce and talent of today for the jobs of the future.

In 2016, 3M announced the expansion of its U.S. parental leave benefits. These benefits now extend to both biological and adoptive parents. Permitted time off has now been increased to 20 weeks, including 10 paid weeks. Biological mothers will also continue to receive six to eight weeks of short-term disability time off, for a total of up to 28 weeks of maternity leave. The expanded benefits are part of 3M's ongoing commitment to support greater work-life balance for employees across the company.

“We listened to our employees. We’re looking at attracting and retaining talent. For us, it’s about creating a more engaged workforce.”

— Mike Anderson
3M Director of HR, Global Benefits



3M and the United Nations Sustainable Development Goals

At 3M, the Sustainability goals we've set for 2025 are framed around global challenges.

This is apparent when one considers how well our goals align with the goals the United Nations released in their 2030 Agenda for Sustainable Development in 2015.

The U.N. created 17 Sustainable Development Goals (SDGs) designed to build upon the historic work of the Millennium Development Goals, and stimulate important action in three dimensions of sustainable development: economic, social, and environmental.

To learn how our goals at 3M are #improvinglives in accordance with, and in support of, the 2030 SDGs be sure to visit www.3m.com/sustainability.



Renewable Energy Boost

3M took significant steps in 2016 toward accomplishing its goal of increasing renewable energy to 25 percent of total electricity use by 2025.

In Texas, the company signed an agreement to purchase 120 MW of wind energy from Invenergy, a leading worldwide supplier of renewable power. The agreement includes the sale of wind energy from the Gunsight Wind Energy Center, to help support our operations across North America.

Meanwhile, on the other side of the globe, the 3M plant in Ranjangaon, India recently began producing renewable energy after converting an unused 10,000 square meter rooftop to a solar power generation installation. More than 1,500 solar panel modules were installed on the rooftop, capable of generating 14,000 MWH of electricity and saving \$1.3 million over the projected 20-year life of the modules. The system also includes a provision to feed energy to the India power grid when not needed in-house.

Clear intentions and cleaner water in Flint.

Few cities can attest to the importance of clean water like Flint, Michigan.

A city of about 100,000 people, 40 percent of whom live below the poverty line, Flint made national news headlines beginning in 2014 for problems its residents were having with the city's water supply. Inadequate treatment of the water, which came from the Flint River, had resulted in lead from aging service lines leaching into the water.

About this same time, the 3M Separation and Purification Sciences Division was preparing plans to launch a new under sink water system, Filtrete™ Maximum Under Sink Water Filtration System 3US-MAX-S01H offered at Lowe's and Walmart. Compared to other water systems offered in the retail market, the system is designed to connect to a kitchen faucet, filters up to 1,500 gallons of water up to a six-month period, and — most important — could claim 99.3 percent lead reduction in water that passed through it.

The 3M team felt this could be a compelling solution for the people in Flint and over 2,000 municipalities affected by lead contamination. So they fast-tracked the launch of the product and inquired about the possibility of donating systems to residents there. After passing a review process that included a donation review board with representatives from the mayor's office, the Michigan governor's office, the EPA, Michigan Dept. of Environmental Quality (MDEQ), the local United Way and local plumbers union, it was agreed that 3M would set up a pilot program in the fall of 2016 to provide systems to residents in around 20 homes in the city.

#improvinglives Crossword

Across

- 2. 2025
- 5. Partners across responsible sourcing
- 8. It's "What survives when what has been learned has been forgotten."—B. F. Skinner
- 9. From which products are made
- 10. Key theme; embedded firmly at the core of 3M
- 12. All of us
- 14. Collaborate with to solve challenges
- 15. Aeschylus said it is wedded to obedience
- 17. Types of energy
- 18. At the heart of everything we do

Down

- 1. 71% of the Earth's surface
- 3. The result of "We"
- 4. Creativity spurs it
- 6. Celebrate it
- 7. Our Ambition
- 11. Thousands of commencement speeches on this topic
- 13. Advance, enhance, improve
- 14. From the Latin "zone"
- 16. Mahatma Gandhi called it real wealth
- 19. 3M _____. Applied to Life.™

