



# Global Supplier Expectations Manual - Main Global General Standards

For External Distribution

Rev 1.0

Page 1 of 9

Revision	Release Date	Description of Changes	Prepared by
1.0	16-May-24	Initial Release	Katharine Rogers

## 1. INTRODUCTION & PURPOSE

At 3M, we apply science in collaborative ways to improve lives daily. We manufacture thousands of innovative products and are leaders in diverse markets such as traffic safety, adhesives and tapes, abrasives, closure and masking systems, electrical markets, display materials and systems, automotive and aerospace, home improvement, and stationery and office. The success of the company begins with the ability to apply our technologies to create products that satisfy the needs of our customers. To meet our customers' needs, we need a strong supply chain from end to end. Therefore, 3M expects that its entire supply chain will be committed to ensuring the quality of our products and services.

### Our Vision

Make what is indispensable to empower modern life, advance human progress and deliver a brighter future through 3M Science.

### Strategies

- Serve our Customers
- Create Consistent Growth
- Drive Operational Excellence
- Lead in Sustainability
- Reduce Risk and Uncertainty

Our aim is to deliver the utmost value to our customers by prioritizing innovation, quality, timely delivery, and cost competitiveness. We are committed to achieving this in a manner that is compliant with all applicable laws and regulations and promotes sustainability. A highly collaborative relationship with our suppliers is critical to the achievement of these objectives.

The purpose of this manual is to define the minimum global business expectations for 3M Suppliers, both new and existing so that we can continue to provide innovative, world class products that meet or exceed our customer expectations for cost, quality, and delivery. A highly effective extended supply chain results in success for both 3M and our suppliers.

## 2. SCOPE

The expectations set forth in this manual are applicable to existing and new suppliers of goods (raw materials (RM), semi-finished goods (SFG), finished goods (FG) and packaging (PKG)) and services to 3M.



# Global Supplier Expectations Manual - Main Global General Standards

For External Distribution

Rev 1.0

Page 2 of 9

### 3. RESPONSIBILITY

Suppliers are expected to comply with all requirements and expectations documented in the Global Supplier Expectations Manual (GSEM). 3M provides updates and revisions to this manual, as necessary. Suppliers are expected to incorporate these updates and revisions into their business operations.

Suppliers are responsible for reviewing new and revised 3M requirements and determining the impact on their internal systems and promoting awareness of the GSEM at their locations.

### 4. SUPPLIER EXPECTATIONS AND REQUIREMENTS

#### 4.1. General Expectations

Suppliers shall demonstrate their commitment to quality and environmental and social governance (ESG) and shall implement appropriate quality and ESG standards. Additional quality expectations can be found in the 3M Quality Expectation Manual.

Certain 3M divisions may have a more rigorous Quality Manual based on their specific business need. If this is the case, a division representative will provide the division specific Quality Manual, and that division specific Manual will supplement these requirements.

#### 4.2. Global Terms and Conditions

Terms and conditions apply to the provision of all goods and services and may be reviewed by accessing: [Global PO & Scheduling Agreements Terms & Conditions | 3M Supplier Direct](#)

#### 4.3. Contracts

Contract Provision details may be reviewed by accessing: [Contract Provision Information | 3M Supplier Direct](#)

#### 4.4. Supplier Risk Management

At 3M, we believe supplier risk management is important to ensure continuity of our supply chain and mitigate risks that are inherent in multi-party relationships. Here are some key reasons why 3M considers supplier risk management crucial:

- Supply chain continuity: Actively managing supplier risks allows 3M to identify and address potential disruptions in the supply chain. This helps maintain a reliable flow of materials, components, and services, minimizing the impact on production and customer satisfaction.
- Quality and reliability: Supplier risk management enables 3M to assess and monitor the quality and reliability of its suppliers. By identifying and addressing potential risks, 3M can manage its products to meet the required standards and specifications.



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 3 of 9

- Cost optimization: Proactively addressing risks such as supplier financial instability or capacity constraints helps 3M avoid costly disruptions and maintain a competitive advantage.
- Compliance with regulations and standards: Engaging in supplier risk management helps 3M monitor its suppliers' adherence to applicable laws, regulations, and industry standards. This is particularly important in areas such as environmental sustainability, labor practices, trade compliance and ethical sourcing. More details follow in section 4.5 Social and Environmental Responsibility.
- Cybersecurity protection: Effectively managing supplier cyber risk helps protect 3M's sensitive data, safeguard the supply chain, minimize financial losses, and maintain the company's brand reputation.

To support its supplier risk management program, 3M uses various tools and processes led by both internal and external partner resources. Suppliers shall actively engage and provide necessary information in a timely manner to 3M or its external partners to understand the level of risk and work together to mitigate potential risks.

#### 4.5. Certifications

3M encourages suppliers to obtain relevant certifications for their processes and products.

Recommended certifications include:

- Quality Management Systems: ISO9001 or relevant QMS certification required by the division the supplier supports
- Environmental Management Systems: ISO14001
- Information Security Management Systems: ISO27001

#### 4.6. Social and Environmental Responsibility

General Expectations: At 3M, we think holistically about how our people, products, and operations can all contribute to a brighter future. We understand that our sustainability impact extends beyond our own operations, and we require our suppliers to meet or exceed the expectations we set for ourselves around environmental and social governance. Our suppliers shall be transparent about their related practices and to work with us to transform our shared value chain.

The [3M Supplier Responsibility Code \(SRC or Code\)](#) outlines 3M's basic expectations for our suppliers in the areas of Management Systems, Labor, Health and Safety, Environment and Ethics. This Code is based on our corporate values for sustainable and responsible operations and aligns with the 10 Principles of the United Nations Global Compact, of which 3M is a signatory, and with the Responsible Business Alliance (RBA). The SRC and all its requirements apply to all 3M suppliers including suppliers of goods (RMs, SFG, FG, PKG) and services and all suppliers shall comply at all times with the SRC.



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 4 of 9

Fundamental to conforming is the understanding that a business, in all its activities, must operate in full compliance with the laws, rules and regulations of the locations in which it operates. Suppliers shall maintain compliance systems and be able to demonstrate records of compliance with laws and regulations in conducting their business. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with applicable regulations. 3M also encourages suppliers to go beyond legal compliance, drawing upon internationally recognized standards to support our sustainability aspirations and advance social and environmental responsibility and business ethics.

Conformance to this Code is required to become or remain a supplier to 3M, anywhere in the world, and for any supplied material or service. These requirements are part of 3M's contract provisions and purchase order Terms and Conditions. Suppliers shall also hold their own subcontractors and suppliers accountable to the principles in this Code. Suppliers shall disseminate and educate the requirements of this Code to their employees, agents, subcontractors, and suppliers. Suppliers shall communicate their conformance status to us when requested and make any necessary improvements to ensure full conformance. Suppliers shall support 3M or its designated third-party provider's monitoring of performance against this Code as deemed necessary by 3M, including requesting specific performance information. We encourage and expect our suppliers to periodically assess themselves and their suppliers for conformance.

### 4.6.1. Foundational Requirements of the 3M Supplier Responsibility Code (SRC)

4.6.1.1. Labor Requirements: In addition to full compliance with all applicable labor and human resource laws, our suppliers shall be committed to upholding the human rights of workers and treating them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker. Our labor standards are:

- Freely Chosen Employment
- Young Workers
- Working Hours
- Wages and Benefits
- Non-Discrimination/Non-Harassment/Humane Treatment
- Freedom of Association

4.6.1.2. Health and Safety: In addition to full compliance with all applicable health and safety laws, our suppliers shall minimize the incidence of accidental work-related injury, death, and illness, and foster a safe and healthy work environment. Suppliers should utilize ongoing worker input and education as essential opportunities to identify and mitigate health and safety issues in the workplace. Our supplier health and safety standards are:



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 5 of 9

- Occupational Health and Safety
- Emergency Preparedness
- Occupational Injury and Illness
- Industrial Hygiene
- Physically Demanding Work
- Machine Safeguarding
- Sanitation, Food, and Housing
- Health and Safety Communication

4.6.1.3. Environment: 3M recognizes that environmental responsibility is integral to producing world-class products. In addition to full compliance with all applicable environmental laws, suppliers shall integrate environmental responsibility into their operations and the materials they use. Suppliers shall identify environmental impacts and minimize adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of workers and the public. Our supplier environmental standards are:

- Environmental Permits and Reporting
- Hazardous Substances
- Solid Waste
- Air Emissions
- Materials Restrictions
- Water Management
- Energy Consumption and Greenhouse Gas Emissions
- Pollution Prevention and Resource Conservation
- Transportation

4.6.1.4. Responsible Sourcing of Renewable Materials: Suppliers that provide goods (RMs, SFG, FG, PKG) to 3M that contain renewable material(s) are required to ensure the renewable material(s) were legally harvested/extracted, sourced, transported, and exported from their country of origin. Suppliers shall adopt policies and management systems that comply with applicable global regulations and meet 3M's requirements. All suppliers of forest-based products and materials shall meet the requirements of the 3M Forest Products Sourcing Policy ([pulp-and-paper-sourcing-policy.pdf \(3m.com\)](#)) and develop methods to require their suppliers to do the same. This includes maintaining and providing to 3M upon request information regarding the full traceability of the supply chain back to the source of the harvest/extraction, including identification of the mill(s), third-party certifications of materials and operations in their supply chain and harvest location and date of harvest for all forest products/materials sold to 3M.



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 6 of 9

- 4.6.1.5. Responsible Sourcing of Minerals: Supplier shall adopt policies and due diligence management for sourcing products and materials that contain critical minerals including tantalum, tin, tungsten, gold, cobalt, mica, and other higher-risk minerals. This includes chain of custody to the source of extraction to reasonably assure that minerals are sourced consistent with recognized due diligence frameworks such as the Organisation for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas.
- 4.6.1.6. Composition and Regulatory Information: In addition to full compliance with all applicable Environmental, Health, and Safety and product regulations, suppliers shall disclose 100% composition information and detailed regulatory information including presence of any restricted substances by governmental bodies (i.e., REACH Annex XVII, REACH SVHCs, etc.) or by 3M's Chemical Management Policy (CMP) at any concentration. 3M also prohibits the use of banned substances as noted in our CMP. Any known presence of banned substances must immediately be notified to 3M and actioned. 3M reserves the right to discontinue purchase of products that include banned substances. Suppliers shall provide updated composition and regulatory information immediately to 3M, and if requested by 3M, to support compliance and stewardship activities, including but not limited to, disclosure to governmental bodies, customers, recyclers, or for material certifications. New information on relevant health and environmental effects on safe handling, transport, and use must be disclosed as it becomes available.
- Chemicals Management Policy (link: [Chemicals Management Policy \(3m.com\)](https://www.3m.com/chemicals-management-policy))
- 4.6.1.7. Ethics: In addition to full compliance with all applicable business ethics laws, to meet social responsibilities and to achieve success in the marketplace, our suppliers and their agents shall at all times uphold the highest standards of ethics. Our supplier ethics standards are:
- Business Integrity
  - Anti-Corruption
  - Gifts and Entertainment
  - Conflicts of Interest
  - Disclosure of Information
  - Intellectual Property
  - Fair Business, Advertising, and Competition
  - Reporting, Protection of Identity and Non-Retaliation
  - Privacy



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 7 of 9

4.6.1.8. Management System: Suppliers shall adopt or establish a management system covering the elements of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the supplier's operations, goods, and services; (b) conformance with this Code; and (c) identification and mitigation of risks related to this Code. It should also be designed to facilitate continuous improvement with all aspects of the Code. The management system should contain the following elements:

- Company Commitment
- Management Accountability and Responsibility
- Legal and Customer Requirements
- Risk Assessment and Risk Management
- Improvement Objectives
- Training
- Communication
- Worker/Stakeholder engagement and Access to Remedy
- Audits and Assessments
- Corrective Action Process
- Documentation and Records
- Supplier Responsibility

4.6.1.9. Diversity: 3M's Supplier Diversity objective is to provide access and opportunity for diverse suppliers through inclusion and development to build better communities and a stronger 3M. We will accomplish our objective by continuing our journey to become a world class leader in Supplier Diversity. Similarly, we require our suppliers to incorporate supplier diversity best practices and objectives into their own supply chain. 3M tracks Tier II diversity spend through its Supplier Diversity portal and encourages large prime suppliers to report quarterly. A diverse supplier is any supplier who is classified as

U.S. Diverse Attributes:

- Minority Business Enterprise (MBE)
- Women Business Enterprise (WBE)
- Service-Disabled Veteran-Owned Business (SDVBE)
- Veteran-Owned Business (VBE)
- LGBTQ+ Business Enterprise
- Women Owned Small Business (WOSB)
- Service-Disabled Veteran-Owned Small Business (SDVOSB)
- Veteran-Owned Small Business (VOSB)



# Global Supplier Expectations Manual - Main

## Global General Standards

For External Distribution

Rev 1.0

Page 8 of 9

- Historically Underutilized Business Zone (HUBZone)
- Small Disadvantaged Business (SDB)

Global Diverse Attributes are determined by each region and will be tracked accordingly by 3M.

## 5. Supplier Scorecards

### 5.1.1. Strategic Scorecard

For direct and outsourced manufacturing suppliers, 3M has established a standard set of expectations and aligned a Strategic Scorecard to those expectations. The intent is to drive operational efficiencies and align with business strategies. Selected strategic suppliers will be receiving the Strategic Scorecard.

At the end of each year, 3M is proud to recognize outstanding and high performing strategic suppliers based on their performance according to the criteria in the Strategic Scorecard. The metrics of the scorecard are noted below.

#### **Quality (25 Points)**

Defective Parts Per Million (DPPM)

SCAR Count

SCAR Responsiveness

#### **Service (25 points)**

OTIF

#### **Commercial (30 points)**

Achieve target savings

Compliance to 3M standard payment terms

#### **Responsible Sourcing (20 points)**

Social & Environmental Performance

Diverse Business Development

ISO14001 Certification

Registered QMS

ISO27001 Certification





# Global Supplier Expectations Manual - Main Global General Standards

For External Distribution

Rev 1.0

Page 9 of 9

## 5.1.2. Performance Scorecard

3M has implemented a Performance Scorecard for both direct and outsourced manufacturing suppliers. This scorecard is a subset of the Strategic Scorecard and specifically focuses on performance metrics. It serves as a tool for 3M Procurement, Operations, or Divisions to engage with suppliers and monitor their performance. The Performance Scorecard is designed to drive performance improvement and ensure that suppliers meet the required standards set by 3M.

### **Quality (25 Points)**

Defective Parts Per Million (DPPM)

SCAR Count

SCAR Responsiveness

### **Service (25 points)**

OTIF

## 6. References

**Supplier Direct Website:** [For Current & Prospective Suppliers | 3M Supplier Direct](#)

**3M Global and Division Specific Supplier Manuals:** [3M Supplier Manuals | 3M Supplier Direct](#)

**Global PO Terms and Conditions:** [Global PO & Scheduling Agreements Terms & Conditions | 3M Supplier Direct](#)

**Contract Provisions:** [Contract Provision Information | 3M Supplier Direct](#)

**Supplier Responsibility Code:** [3M Supplier Responsibility Code \(SRC or Code\)](#)

**3M Forest Products Sourcing Policy:** [pulp-and-paper-sourcing-policy.pdf \(3m.com\)](#)

**Chemicals Management Policy:** [Chemicals Management Policy \(3m.com\)](#)