

3M United Kingdom Public Limited Company - Tax Strategy

In compliance with Section 161 and Part 2 of Schedule 19 to the Finance Act 2016, 3M United Kingdom PLC publishes this Tax Strategy for the year ended 31 December 2024.

Within this document, references to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule, which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which 3M United Kingdom PLC has legal responsibilities. References to '3M' are to 3M Company whereas references to '3M UK' are to 3M United Kingdom PLC and its UK affiliates.

This UK Tax Strategy has been approved by the Board of 3M United Kingdom PLC.

About 3M

3M is a global science company that never stops inventing. Following the global spin off of the Healthcare Division in April 2024, 3M is structured around three Business Groups (Safety & Industrial, Transportation & Electronics and Consumer) and across 49 technology platforms. The company's vision is to make what is indispensable to empower modern life, advance human progress and deliver a brighter future through 3M Science. With \$24.6 billion USD in sales, 61,500 employees connect with customers all around the world. Scientists, researchers, marketers and others work across countries and across subjects to solve challenges big and small.

3M UK is one of the largest 3M subsidiaries outside of the United States and, following the sale of the Healthcare Division, has 1,035 people across eight locations, including three manufacturing sites. Products manufactured in the UK include coated abrasives, personal safety equipment and adhesive tapes.

At 3M, what the company stands for is just as important as the products it sells. 3M's commitment to ethics and integrity is a cornerstone of the company's culture which has been built on a century-old tradition of operating with uncompromising ethics and unwavering integrity. From the way the business is run and how the supply chain is operated, to how employees are expected to act and the value placed on communities and shareholders, 3M has earned a reputation for doing business the right way.

3M UK's Approach to Taxation

3M UK is committed to complying with all applicable tax laws, rules, regulations, reporting and disclosure requirements through the implementation of standardised, 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 UK 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

https://www.3m.com/3M/en_US/ethics-compliance/code/

3M UK's approach to risk management and governance arrangements in relation to UK 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 Senior Vice President, Tax reports to 3M's Executive Vice President & Chief Financial Officer and is a member of 3M's Finance Committee. The Tax Operating Committee, under the leadership and direction of the Senior Vice President, Tax, has oversight to material tax matters relating to 3M's worldwide business and supply chain.

In the UK, 3M UK ensures the appropriateness of its accounting and tax records on an ongoing basis to enable compliance obligations to be met. This is documented and confirmed to His Majesty's Revenue and Customs ('HMRC') annually in accordance with the Senior Accounting Officer regime.

Day-to-day management of 3M UK's taxes is delegated to the tax team members responsible for the UK. 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.

Attitude of the group to tax planning (so far as affecting UK taxation)

In compliance with UK tax rules and regulations, 3M UK may engage in tax planning that is aligned with its commercial business activities or supply chain needs. 3M UK does not engage in artificial tax arrangements that lack economic substance, one of the main purposes of which would be to obtain a tax advantage. The company may, however, evaluate potential economic options resulting from business transactions with consideration of tax efficiency. 3M UK may also consider claiming UK tax incentives (such as enhanced deductions, tax credits or tax exemptions) where they are generally available to UK taxpayers that meet the relevant criteria and where they are aligned with underlying commercial objectives.

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

Level of risk in relation to UK taxation that the group is prepared to accept

3M UK's approach to tax risk follows similar principles that apply to the management of legal, compliance, and other business risks. 3M's internal framework operates to support compliance with tax laws and regulations in the UK and to ensure tax risks are identified, assessed and mitigated.

Where there are areas of uncertainty in UK tax law, or where differences in interpretation may exist, 3M UK engages external professional advisors to provide specialist advice and input as required.

Approach toward dealings with HMRC

We strive to have an open, honest and collaborative working relationship with HMRC. 3M UK ensures that HMRC is 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 HMRC, 3M UK discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain. 3M UK recognises that there could be areas of differing legal interpretations between itself and HMRC and, where appropriate, will engage in proactive discussion to bring matters to as rapid a conclusion as possible.