

**3M United Kingdom Public Limited Company**  
**Annual report and financial statements**  
**For the year ended 31 December 2024**

FRIDAY



\*AE5KKVZE\*

A20

27/06/2025

#114

COMPANIES HOUSE

## **3M United Kingdom Public Limited Company**

### **Contents**

	<b>Page(s)</b>
Company information	1
Strategic report	2 - 11
Directors' report	12 - 16
Independent auditors' report to the members of 3M United Kingdom Public Limited Company	17 - 20
Profit and loss account	21
Statement of comprehensive income	22
Balance sheet	23 - 24
Statement of changes in equity	25
Notes to the financial statements	26 - 60

**3M United Kingdom Public Limited Company**

**Company information**

**Directors**

A Bennett  
K J Parks  
L P Plaaterud  
S Oliphant  
B S Mills

**Company secretary**

D J Ashley

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
3 Forbury Place  
23 Forbury Road  
Reading  
RG1 3JH  
United Kingdom

**Registered office**

3M Centre  
Cain Road  
Bracknell  
Berkshire  
RG12 8HT  
United Kingdom

**Registration number**

01123045

## 3M United Kingdom Public Limited Company

### Strategic report For the year ended 31 December 2024

The directors present their Strategic report for the year ended 31 December 2024.

#### Principal activities

3M United Kingdom Public Limited Company (the "Company") is a diversified technology Company with a presence in the following businesses: Safety and Industrial; Transportation and Electronics; and Consumer. The Company is among the leading manufacturers of products for many of the markets it serves with the principal activities being the design, manufacture and sale of a range of coated materials and other related products and services. These products include abrasives, adhesives, cleaning materials, tapes, reflective materials, personal safety equipment and office stationery products.

The Company is engaged by 3M EMEA GMBH to manufacture products and to provide warehousing, handling and physical distribution services for products marketed by 3M EMEA GMBH and its affiliates. These products include abrasives, adhesives, cleaning materials, tapes, reflective materials, personal safety equipment, office stationery and home improvement products.

#### Fair review of the business

##### *Performance of the business*

During 2024, the overall turnover of the Company decreased by 20% (2023: decreased by 12%) from £575,816k to £462,820k. The main reason for the decrease in turnover is due to the sale of the Healthcare Business group in 2023.

Gross margin is 23% (2023: 1%). This is because last year's gross margin of 1% was negatively impacted by an increase in material and supply costs during the first part of the year. In 2024, the gross profit is back within the range of the Company's expectations.

Net operating expenses in comparison to turnover remained at 21% (2023: 21% of turnover).

The operating profit for the year was £30,179k (2023: £17,385k) which represents 7% of sales (2023: 3%).

Dividends received from subsidiaries in the year amounted to £963k (2023: £4k) and distribution in specie amounted to £227,409k (2023: £32,095k) of which £123,660k related to a return of capital (2023: nil).

Pre-tax profit from continuing operations amounted to £156,454k or 34% of sales (2023: from continuing operations £55,073k or 12% of sales).

The number of persons employed by the Company has decreased by 32% in comparison to 2024. This is mainly due to the Healthcare Business Group spin off at 1 November 2023.

##### *Position of the business*

The Balance sheet continues to be in a sound robust position and the Company is confident that with the existing net asset position it will be able to meet liabilities as they fall due. The net assets of the Company at 31 December 2024 were £397,229k (2023: £269,388k).

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2024	2023
Growth of sales	%	(20)	(12)
Gross margin	%	23	1
Net operating expenses % of sales	%	21	21
Operating profit margin	%	7	3

## **3M United Kingdom Public Limited Company**

### **Strategic report (continued) For the year ended 31 December 2024**

#### **Fair review of the business (continued)**

##### **Outlook**

The Company's primary focus is to deliver sustainable and profitable sales growth within the UK's established and expanding segments (Safety, Transportation, Electronics and Consumer). This will be achieved through organic growth in its core businesses and adjacent markets. The overall strategy includes several key elements:

- Expand relevance to our customers;
- Focusing on the development of core divisions while accelerating growth in areas with the greatest opportunities;
- Investing in innovation, with a continued commitment to the core competency of new product development and increasing speed and agility in bringing these new products to market;
- Maintaining operational excellence, particularly in manufacturing, supply chain and customer service operations; and
- Ongoing up-skilling of the organisation, aiming for world-class standards in technical, sales, marketing communities and support functions.

##### **Principal risks and uncertainties**

The Company produces a diverse product portfolio for a wide range of markets and is well positioned to withstand sudden downturns in any single business area. Performance is regularly monitored and appropriate actions taken.

The directors of the Company manage the group's risks at a group level, rather than an individual business unit level. The group is defined as 3M Company, with its main head quarters based in Minneapolis, USA. Additionally, local United Kingdom directors and North European management manage risks specific to the United Kingdom market and align necessary actions with global risk assessment.

A number of global geopolitical tensions could result in, cyberattacks, supply chain disruptions impacting downstream customers, higher energy costs, lower consumer demand and changes to foreign exchange rates and financial markets, any of which may adversely affect the Company's business and supply chain.

Climate change, as well as related environmental and social regulations, may negatively impact the Company or its customers and suppliers. This could affect the 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 the Company or its suppliers or customers operate.

##### **Section 172(1) statement**

The way in which directors' duties and responsibilities are applied is covered, in part, within the Directors' report on page 15 - 16 of these financial statements.

The following highlights how the directors have delivered against the requirements of Section 172 in the application of their duties:

##### **S172(1)(A) "The likely consequences of any decision in the long term"**

All Company decisions are aligned to our four strategic priorities: portfolio management; transforming the 3M operating model; growth through innovation and people and culture. Decisions are taken in line with our written policies and Code of Conduct which requires that all employees 'be good, be honest, be fair, be loyal, be accurate and be respectful'.

##### **S172(1)(B) "The interests of the Company's employees"**

Employees are a key stakeholder in the operations of the Company, and this is reflected in the fact that 'people and culture' is one of 3M's strategic priorities, emphasising the importance of employees as key stakeholders in the Company's operations. By design, one of the board members is the head of Human Resources for the Company which helps bring employee-related issues and perspectives to board decision-making.

## 3M United Kingdom Public Limited Company

### Strategic report (continued) For the year ended 31 December 2024

#### Section 172(1) statement (continued)

##### **3M completes Solventum spin-off**

In July 2022, 3M announced its intent to spin off its Health Care business, resulting in two world-class public companies well positioned to pursue their respective growth plans. On 1 April, 2024 the new standalone company, Solventum, was listed on the New York Stock Exchange.

##### **Gender Pay Gap**

We prepare and publish pay data in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The gender pay gap does not measure equal pay, instead it measures the difference between men and women's average and median hourly pay. Equal pay, on the other hand, is the legal obligation under the Equality Act 2010 that requires employers to give men and women equal pay if they are employed to do equal work.

The figures for the 3M United Kingdom Public Limited Company for the year ending 5 April 2024 show the following:

##### **A: Gender Pay Gap**

This data includes all permanent employees who have had no leave\* in the pay period and shows the difference between the average hourly pay\*\* of male and female employees.

- Mean Gender Pay Gap, 2023/2024: (3) per cent (2022/2023: 3 per cent; 2021/2022: 7 per cent; 2020/2021: 9 per cent)
- Median Gender Pay Gap, 2023/2024: (6) per cent (2022/2023: 3 per cent; 2021/2022: 4 per cent; 2020/2021: 5 per cent)

\* 'Leave' refers to maternity, paternity, sick leave and long-term disability.

\*\* 'Hourly pay' includes base pay and, where appropriate, 'at risk' pay, stock options, etc.

##### **B: Bonus Gender Pay Gap**

This includes all permanent employees, regardless of leave status, and shows the difference between the average bonuses\*\*\* paid to male and female employees.

- Mean Bonus Gender Pay Gap 2023/2024: 9 per cent (2022/2023: 10 per cent; 2021/2022: 26 per cent; 2020/2021: 34 per cent)
- Median Bonus Gender Pay Gap 2023/2024: (1) per cent (2022/2023: 6 per cent; 2021/2022: 24 per cent; 2020/2021: 26 per cent)

\*\*\* 'Bonuses' include annual incentive plans, stock options, etc.

##### **C: Proportion of male and female employees receiving bonuses**

This includes all permanent employees, regardless of leave status, and shows the percentage of male and female employees receiving a bonus in the pay period.

- Male: 62 per cent (2022/2023: 62 per cent; 2021/2022: 41 per cent; 2020/2021: 41 per cent)
- Female: 55 per cent (2022/2023: 53 per cent; 2021/2022: 44 per cent; 2020/2021: 37 per cent)

The numbers presented include bonuses and stock options exercised by eligible employees. Stock options can be exercised any time over a period of ten years. The company has no control over when employees decide to exercise as it is highly driven by the stock price - but if they did so during the reporting period, those numbers are included in these calculations.

There has been an increase in the percentage of female employees in the upper and upper middle quartiles, who are eligible for variable pay elements, which has driven the average pay gap in favour of women. Many of the women also have a long tenure so are at the higher end of the internal pay scale.

We have explored average pay by gender across all job groups and with exercised stock options excluded, found no unexplained differences between women and men's hourly pay rates.

### **3M United Kingdom Public Limited Company**

**Strategic report (continued)**  
**For the year ended 31 December 2024**

**Section 172(1) statement (continued)**

**S172(1)(B) "The interests of the Company's employees" (continued)**

***C: Proportion of male and female employees receiving bonuses (continued)***

In addition, we have compared average hourly pay rate by 3M internal job grade between male and female employees, including and excluding bonuses, and found no unexplained differences in either direction that indicates unequal pay.

#### ***Employee communications***

A range of communications channels are used to keep employees informed of business performance, policy changes and people news. These include our Company intranet, 3M Go; broadcast emails; Viva Engage; a monthly Core Brief, which summarises the key issues from the UK Country Governance Team and quarterly in-person and online Connections Forums, which bring key global and local themes to UK employees.

The Company runs employee engagement surveys where the Country Governance Team reviews the results so that any necessary actions can be taken.

#### ***Employee Forums***

Each 3M site in the UK with more than 50 employees has an Employee Forum. One member of the Country Governance Team is responsible for bringing any issues raised at these forums for review during the monthly Country Governance Team meeting.

#### ***Employee Experience Programme***

The Employee Experience programme covers every aspect of what it is to be a 3Mer, recognising that employees are the Company's most valuable asset.

The programme has five pillars, with a senior leader appointed to champion each of the focus areas:

- Celebrating Our People
- Communicating and Listening
- Environmental, Social and Governance
- Wellbeing
- Work Your Way

Programmes are reviewed for efficacy on a regular basis by the Country Governance Team.

#### ***Employee Assistance Programme (EAP)***

The EAP is a free and fully confidential service that is available to employees 24/7, 365 days a year. The service consists of the following key support areas:

- *Counselling services*: face-to-face or via telephone.
- *Information services*: a wide-ranging, up-to-date and easily accessible telephone information service provides employees with the knowledge they need to quickly and effectively resolve work-life issues with the minimum impact on themselves or their work.
- *An online employee and manager resource*: a web-based client information resource, designed to help employees with today's challenges, assist managers with their day-to-day activities and provide a chance to prepare for any major events that may arise in the future.
- *Management support*: expert advice and guidance focusing on the people side of management.
- *Free webinars*: on a range of health and wellbeing topics.

## **3M United Kingdom Public Limited Company**

**Strategic report (continued)  
For the year ended 31 December 2024**

### **Section 172(1) statement (continued)**

#### **S172(1)(B) "The interests of the Company's employees" (continued)**

##### ***Work Your Way***

The Company currently has a flexible working policy called 'Work Your Way' in which employees select from three broad work options, subject to supervisor agreement: working at a 3M location; hybrid: blending time on-site and offsite and working remotely. A new non-mandatory 'return to office' policy was introduced in early 2025 encouraging employees to arrange more opportunities to be in a 3M office for events, meetings and face-to-face activities, where possible.

#### **S172(1)(C) "The need to foster the Company's business relationships with suppliers, customers and others"**

##### ***Customers***

Whether it's technology, manufacturing, global capabilities or our brand, we are committed to connecting our strengths to those of our customers. Our four strategic priorities deliver value for our customers, while our innovation is based on customer and market insights, technology and a culture of collaboration and entrepreneurship.

We regularly conduct customer satisfaction surveys to understand our customers' perceptions of how we are meeting their needs. Our business leaders engage directly with customers on a regular basis to understand their particular challenges and how we may be able to help solve them.

We strive to invent products that are not only new, but useful. That is why 3M scientists work directly with customers to solve their unique challenges. In the Customer Innovation Centre at our Head Office in Bracknell, Berkshire, our customers can experience first-hand the breadth of 3M technologies and learn how they can benefit from them.

##### ***Suppliers***

3M has an entire function (Procurement) devoted to our engagement with suppliers.

The 3M Supplier Responsibility Code (SRC) outlines 3M's social and environmental expectations for new and existing suppliers anywhere in the world and for any supplied material or service. The SRC is consistent with the code of conduct outlined within the Responsible Business Alliance, is based on 3M's corporate values for sustainable and responsible operations and aligns with the ten principles of the UN Global Compact, of which 3M is a signatory. 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.

We work with our suppliers to ensure their activities operate in full compliance with the laws, rules, and regulations of the locations in which they operate. We ask that our suppliers maintain compliant systems and can demonstrate a satisfactory record of compliance with laws and regulations in conducting their business. 3M also encourages its suppliers to go beyond legal compliance, drawing upon internationally recognized standards to advance social and environmental responsibility and business ethics. Our suppliers are also expected to manage the value chain and ensure that their subcontractors and suppliers also align with the principles within this code.

##### ***Ultimate Parent***

3M's ultimate parent company is 3M Company which is listed on the New York Stock Exchange under the ticker symbol, MMM. The interests of 3M Company stockholders are of utmost importance. To keep stockholders informed of progress, our parent company has an Investor Relations team which communicates with them on a regular basis.

## **3M United Kingdom Public Limited Company**

### **Strategic report (continued) For the year ended 31 December 2024**

#### **Section 172(1) statement (continued)**

#### **S172(1)(C) “The need to foster the Company’s business relationships with suppliers, customers and others” (continued)**

##### ***Pensioners***

The 3M Pension and Life Assurance Scheme has a Company-appointed chair, along with senior 3M finance, legal and human resources representatives, plus two active (employee) and two retired member trustees. The trustees meet a minimum of four times per year, with relevant information shared with Scheme members via a newsletter and supplemented by additional communications, as required.

##### ***Government***

3M is a supplier to Government, has many products regulated by Government and is impacted by Government legislation imposed on businesses. As such, the Company has a well-developed programme to understand and interpret Government policy and to make the case for changes when appropriate. The Company engages directly with central and local Government Departments and via trade associations.

3M is a very diverse Company and as such is a member of many trade associations. These include macro level representative bodies like CBI and British American Business, as well as sectoral associations. All memberships of single sector trade associations and standard setting organisations require pre-review and approval by the 3M Office of General Counsel through its Membership Approval Request System. All employees who participate in organisations of this type must undergo regular training on competition law risks and on avoiding conflicts of interest.

Engagement with elected officials is confined to senior leaders and employees within the Government Affairs function. Those staff are subject to regular compliance training and an annual audit of their activities. 3M makes no political contributions in the UK and does not employ current or former Parliamentarians or senior civil servants. The Company was rated in Band B in Transparency UK’s most recent Corporate Political Engagement Index (2018) and is constantly seeking to improve.

#### **S172(1)(D) “The impact of the Company’s operations on the community and the environment”**

##### ***Community***

The communities in which we operate are important to the Company. Our '3Mgives' volunteering programme is focused on those communities where 3M has a presence, with a specific focus on supporting the teaching of science, technology, engineering and maths (STEM) subjects in schools.

In the UK, we encourage our employees to participate in STEM programmes, volunteering their time to inspire young people by sharing their knowledge and experience. We work with organisations like Greenlight For Girls to create hands-on learning opportunities for students around the United Kingdom and we also conduct educational outreach programmes in schools, providing resources and workshops to stimulate interest in STEM subjects.

Our active network of 3M STEM Ambassadors visit schools as part of our outreach programmes and students and teachers are also hosted at our Customer Innovation Centre in Bracknell.

### **3M United Kingdom Public Limited Company**

**Strategic report (continued)  
For the year ended 31 December 2024**

#### **Section 172(1) statement (continued)**

##### **S172(1)(D) "The impact of the Company's operations on the community and the environment"**

###### ***Sustainability***

3M is committed to contributing to a brighter future through our people, products, and operations. We use science to build what's next as we rise to the challenges facing our planet and its people. As these challenges evolve, we're accelerating our exploration of emerging areas like climate technology, industrial automation, sustainable packaging, and automotive electrification.

We align around three sustainability pillars: Science for Circular, Science for Climate, and Science for Community and targets and aspirations with a strong focus on carbon, water, and plastics. Emphasizing these major areas helps us streamline our efforts and supports 3M's priorities of operational efficiency, product innovation, and resilient business growth.

More information can be found in our Global Impact - Sustainability website: [www.3m.com/3m/en\\_US/sustainability-us/](http://www.3m.com/3m/en_US/sustainability-us/).

###### ***People and Community***

Our people are the catalyst of innovation and growth. Every idea, every breakthrough, and every success story begins with our talented employees who are committed to pushing the boundaries of what is possible.

We value the unique technical expertise, industry knowledge, mindsets, backgrounds, and experiences our employees bring to work and recognise that they benefit 3M, our customers and our communities.

We are committed to growing our global teams through thoughtful talent practices.

By attracting, developing, and encouraging our teams, we ensure that our workforce amplifies the rich variety of perspectives and experiences needed to fuel our innovation. Through learning, listening and connection, we are committed to creating an environment where our employees are respected, supported and can take the individual initiative to excel, reaching their full potential and contributing meaningfully to the success of 3M.

When our teams come together, we innovate and solve unique needs and challenges.

Creating connections is fundamental to how we work, happening naturally every day across our global teams. Our culture enhances these meaningful connections and supports creativity and problem-solving. Fostering this environment is at the core of our values, and we encourage all 3Mers to practice and promote these behaviours.

As a multinational company, we understand the importance of global and local connections as part of the 3M culture of collaboration and performance. We create an environment through our everyday actions that enables people to connect and solve problems together.

##### **S172(1)(E) "The desirability of the Company maintaining a reputation for high standards of business conduct"**

It is recognised by the Board that doing business the right way is key to its long-term success and the Company has an Ethics & Compliance Function which helps to foster a culture of compliance.

###### ***Code of Conduct***

The Code of Conduct is part of 3M's value model. Our values bind us together as 3M employees, across business groups and geographies. 3M employees worldwide are required to sign an annual certification that they will always act in accordance with the Code, which summarises 3M's compliance principles and provides direction when the right choice may not be clear:

## **3M United Kingdom Public Limited Company**

### **Strategic report (continued) For the year ended 31 December 2024**

#### **Section 172(1) statement (continued)**

##### ***Code of Conduct (continued)***

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

3M employees, including all managers and 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.

Our Code of Conduct lays out what it means to be a 3M employee and includes the 3M Respectful Work Environment Principle: "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."

##### ***Conflicts of Interest***

Employees with a potential conflict of interest are required to disclose it to their supervisor and ensure it has been recorded in the Company's Conflict of Interest Register. All actual or potential conflicts of interest require disclosure, describing the details of the conflict and the agreed control plan on how it is being managed, in line with the global Conflict of Interest Procedure.

The supervisor documents the disclosure and, if required, will work with a functional expert to review the risks and agree next actions, usually the implementation of a control plan. Potential conflicts of interest should be reported as and when they arise but, as an additional control, all employees are required to complete a Conflict of Interest statement annually.

##### ***Speak Up***

Employees must be aware of, and follow, 3M's Employee Obligations and Reporting Principle that requires them to report all suspected violations of the law or 3M's Code of Conduct to one of the following:

- their manager or supervisor
- their assigned Human Resources Manager or 3M Legal Counsel
- 3M's Ethics and Compliance Department
- 3Methics.com (an anonymous reporting tool managed by an independent third party)
- 3M's Corporate Audit Department
- the Audit Committee of the Board of Directors

##### ***Ethics and Compliance***

Ethics and compliance remain at the core of our interactions with employees, customers, business partners and communities. Our Ethics and Compliance Department brings our Code of Conduct to life to ensure that we drive a speak-up culture and do business the right way. In addition to offering online training, the Ethics and Compliance Department - in close collaboration with 3M Legal Affairs, Finance and Human Resources - provides tailored, in-person training opportunities for businesses and staff groups. Some of this training takes place as part of an annual schedule, on request or when deemed appropriate.

We have a Corporate Governance Committee which meets quarterly to review compliance with the Code of Conduct and ethics and compliance initiatives. This Committee includes all the Board members.

##### ***Compliance Education***

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

In 2024, 742 employees in the UK completed a combined total of 3655 mandatory online ethics & compliance courses.

### **3M United Kingdom Public Limited Company**

**Strategic report (continued)  
For the year ended 31 December 2024**

#### **Section 172(1) statement (continued)**

**S172(1)(E) "The desirability of the Company maintaining a reputation for high standards of business conduct" (continued)**

##### ***Modern Slavery***

The Company is committed to ensuring that its supply chains are free from modern slavery, and this is expressed in its Modern Slavery Statement which was approved by the Board most recently in March 2025. A copy of this Statement is available on the Company's website: 3M 2025 Modern Slavery Statement.

**S172(1)(F) "The need to act fairly as between members of the Company"**

The Company is held directly by a single member, and has one ultimate parent company, 3M Company in the USA. The Directors consider courses of action that enable delivery of our strategic priorities taking into account the impact on the 3M group of companies globally.

#### **Non-financial and sustainability information statement (NFSIS)**

For non-financial and sustainability information, 3M United Kingdom Public Limited Company is included in the climate-related governance arrangements, risk identification, opportunities, risk management process, and time periods of its ultimate parent, 3M Company, headquartered in the United States. The UK board of directors is not directing these activities.

3M Company actively addresses both challenges and opportunities presented by climate change and the energy economy. For our own operations and those of our customers, we continually support the development of technologies and products that help reduce emissions and contribute to resilient business growth. In 2024, the SBTi validated 3M Company's new near-term targets and classified our scope 1 and 2 target as in line with a 1.5°C trajectory. 3M Company commits to reduce absolute scope 1 and 2 GHG emissions 52.6% by 2030 from a 2019 base year and absolute scope 3 GHG emissions 42% by 2030 from a 2021 base year.

##### ***Climate-related governance***

The highest level of climate risk governance is the responsibility of the 3M Science, Technology & Sustainability Committee of the Board of Directors of 3M Company. The committee's roles and responsibilities include reviewing the company's policies and programs on sustainability and assisting the Board in identifying and analysing 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.

Consulting with the company's senior management, the Audit Committee of the Board, and the Board, the general auditors annually leads the assessment of the major risks facing the company and works with the executives responsible for managing each risk to develop appropriate mitigation and monitoring plans. Climate change risk is assigned to the 3M Science, Technology & Sustainability Committee.

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.

Severe weather and long-term climate trends could affect 3M's operations and supply chain. See additional information at [3M.com/sustainability](https://www.3m.com/sustainability).

##### ***Climate-related identification, assessment, risk, opportunities, and time periods***

Managing risk requires integrating a multidisciplinary, company wide risk identification, assessment, and management process. 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. With oversight from the Audit Committee of the Board, the general auditors, Corporate Audit, is responsible for leading the formal risk assessment and management process within the company and annually reports the results to the full Board.

**3M United Kingdom Public Limited Company**

**Strategic report (continued)  
For the year ended 31 December 2024**

**Non-financial and sustainability information statement (NFSIS) (continued)**

***Climate-related identification, assessment, risk, opportunities, and time periods (continued)***

3M continually evaluates aspects of risk. The general auditors, Corporate Audit, is responsible for leading the formal risk assessment and management process within the company and annually reports the results to the full Board. 3M will assess climate-related risks as a part of our analysis of physical risk to our manufacturing as climate modelling advances and as acquisitions or divestitures require. 3M's business continuity and crisis management planning help manage risks facing the company's physical operations, supply chains, and workforce. Programs are reviewed at least annually. Analysis time period includes short (0-1 years), medium (1-5 years), and long term (5+ year).

In addition to our Board of Directors' Committees, climate risk is reviewed throughout the year within our executive-level Corporate Environmental Responsibility and Sustainability Committee (ERSC).

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.

For additional details, see [3M.com/sustainability](https://www.3m.com/sustainability), and the 3M 2024 Annual Report, Item 1A pages 10-14.

***3M United Kingdom Public Limited Company***

3M United Kingdom Public Limited Company GHG emissions are included in the 3M 2024 Global Impact Report as part of the overall company total. In 2023, 3M United Kingdom Public Limited Company emissions accounted for around one percent of the overall global total. Based on our analysis of physical risks to individual manufacturing sites, none are deemed to create overall enterprise risk due, in part, to the diversity of 3M's global capabilities and our business continuity planning efforts.

For additional details, including section 414CB items E-H, see [3M.com/sustainability](https://www.3m.com/sustainability).

Approved by the Board of Directors on 20 June 2025 and signed on its behalf by:

L P Plaaterud  
Director

Signed by:  
  
C1A7947BB4514E3...

Date: 20-Jun-2025 | 08:34 CEST

## **3M United Kingdom Public Limited Company**

### **Directors' report For the year ended 31 December 2024**

The directors present their Annual report and the audited financial statements for the year ended 31 December 2024.

The Company has elected to disclose the following items within the Strategic report and therefore these disclosures have not been repeated:

#### *Stakeholder engagement*

The details of the Stakeholder assurance are included under Section 172(1) in the Strategic report on pages 3 - 10.

#### *Future developments*

The directors expect the operation and performance of the Company to remain consistent for the foreseeable future. Further details of the future developments of the Company are included in the Strategic report on page 2-3.

### **Directors of the Company**

The directors of the Company who were in the office during the year and up to the date of signing the financial statements were as follows:

A Bennett  
K J Parks  
L P Plaaterud  
S Oliphant  
B S Mills (appointed on 31 January 2025)

### **Directors' indemnities**

The Company maintains liability insurance for its directors and officers in accordance with the Articles of the Company. The Company has also provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in place during the financial year and at the time of approval of the financial statements.

### **Results and dividends**

The profit for the financial year, after tax is £143,857k (2023: £153,929k).

The directors recommended and paid dividend of £nil (2023: £nil). The aggregate dividends on the ordinary shares recognised and received from subsidiary undertakings during the year amount to £963k (2023: £4k) and distribution in specie amounted to £227,409k (2023: £32,095k) of which £123,660k related to a return of capital (2023: nil).

### **Financial risk management**

The Company's operations expose it to a variety of financial risks that include the effects of changes in commodity market prices, credit risk, liquidity risk and interest rate risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

#### *Price risk*

On UK manufactured products the Company is exposed to commodity price risk as a result of its operations, against which the Company's Sourcing Department negotiates fixed price contracts whenever feasible. On product sourced from 3M EMEA GMBH the Company benefits from firm pricing during a given period which in turn enables more stability around customer pricing. The Company has no direct exposure to equity securities price risk as it holds no listed or other equity investments.

## **3M United Kingdom Public Limited Company**

### **Directors' report (continued) For the year ended 31 December 2024**

#### **Financial risk management (continued)**

##### *Credit risk*

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the directors. The Customer Financial Services Department notify the directors of any concerns regarding the financial stability of customers.

##### *Liquidity risk*

The Company normally obtains any necessary finance from within the 3M group where interest is charged at the SONIA plus 80 basis points rate. Where the directors deem it in the Company interest it is externally sourced. Currently there is no externally sourced finance.

##### *Interest rate risk*

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing liabilities include interest on bank overdrafts, while interest bearing assets include cash balances and intergroup loans, which earn interest at a variable rate.

The Company has a policy of obtaining debt finance from within the 3M group and operates a cash pooling policy on Company cash balances. This policy is considered appropriate, given the size and nature of the Company's operations. Where the directors deem it in the Company interest funding is externally sourced at a competitive interest rate. Currently there is no externally sourced finance.

#### **Employment policy**

It is the policy of the Company that disabled people shall be considered for all job vacancies and subsequent career and promotion opportunities on the basis of their aptitudes and abilities. The Company continues to assist with the retraining and rehabilitation of staff who become disabled whilst in the Company's employment.

Additionally, it is the policy of the Company that there shall be no discrimination in any aspect of employment on the grounds of race, colour, religion, national origin, gender or marital status.

#### **Employee involvement**

The Company continues to attach great importance to the quality of its communications with all employees.

Employees are provided with information about the performance of the Company through regular management briefing notes. More specific issues are communicated by means of corporate or divisional publications and videos.

Regular consultation takes place with employees concerning work methods and organisation so that their views can be taken into account in all matters which may affect their interests.

The Company encourages involvement of employees in the Company's performance by offering schemes such as General Employee Stock Purchase Plan, Management Stock Option Plan, performance related pay and annual incentive programmes.

The Modern Slavery Act Transparency Statement is published in the regulatory section on the 3M website and has been included in our Ethical Supplier Declaration and incorporated into our indirect procurement materials and processes.

**3M United Kingdom Public Limited Company****Directors' report (continued)  
For the year ended 31 December 2024****Streamlined energy and carbon reporting**

The annual quantity of emissions of carbon dioxide (CO<sub>2</sub>) equivalent resulting from the Company's activities are:

	2024	2023
Energy consumption used to calculate emissions: /kWh gas, electricity, transport fuel and other energy sources*	106,000,000	46,300,000
Emissions from combustion of gas (Scope 1)	21,300	22,000
Emissions from combustion of fuel for transport purposes (Scope 1)	277	618
Emissions from purchased electricity (Scope 2, location -based)	9,380	9,710
Emissions from business travel in rental cars or employee -owned vehicles where company is responsible for purchasing the fuel (Scope 3)	104	504
	<hr/>	<hr/>
<i>Total gross CO<sub>2</sub> emissions in metric tons based on above</i>	31,061	32,832
Intensity ratio: Gross figure based from fields above/ e.g. £100k revenue	0.0671	0.0570

\*Energy consumption includes actual energy used from sites with greater than 3,000 square meters and estimated energy for sites less than 3,000 square meters. Energy consumption (actual and estimated) values are used for calculating GHG emissions. Energy estimations are based on US Energy Information Agency's Commercial Buildings Energy Consumption Survey. The inclusion of estimated energy for sites less than 3,000 square meters is new in 2024, and driving the increase shown above

**Methodology**

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.

**Actions taken by the Company during the year**

Our approach to managing our energy footprint includes evaluating and continually improving the impact of our products, manufacturing processes, equipment, and sites (including upgrading and modernizing infrastructure).

**Going concern**

The directors have assessed the position of the Company for the next 12 months and taking into account the performance of the Company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from when these financial statements are approved. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

**Post Balance sheet events**

The Company paid interim dividends of £125,000k to its parent (3M Product Limited) on 16 January 2025.

### **3M United Kingdom Public Limited Company**

#### **Directors' report (continued) For the year ended 31 December 2024**

##### **Research and development**

Research and development costs during the year were £11,409k (2023: £16,504k).

There is a strong thread that connects our three business groups to the vast amount of science we do and the scientists, researchers and Application Engineers we have based in the United Kingdom - it is our research and development teams. We continue to invest in our research and development teams creating the science that makes the Company strong. That investment helps produce intellectual property in the form of patents and unique products for customers. The Company owns technology platforms, which range from adhesives and abrasives to ceramics and nanotechnology many of which are developed and commercialised in the United Kingdom.

##### **Creditor payment policy**

The Company's policy is to:

- (a) settle the terms of payment with those suppliers when agreeing the terms of each transaction;
- (b) ensure that those suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- (c) pay in accordance with its contractual and other legal obligations.

The payment policy applies to all payments to creditors for revenue and capital supplies of goods and services without exception.

The Company's average creditor payment period at 31 December 2024 was 72 days (2023: 66 days).

##### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

### 3M United Kingdom Public Limited Company

#### Directors' report (continued) For the year ended 31 December 2024

#### Statement of directors' responsibilities in respect of the financial statements (continued)

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors on 20 June 2025 and signed on its behalf by:

L P Plaaterud  
Director

Signed by:  
  
C1A7947BB4514E3...

Date: 20-Jun-2025 | 08:34 CEST

**3M United Kingdom Public Limited Company**

# Independent auditors' report to the members of 3M United Kingdom Public Limited Company

## Report on the audit of the financial statements

### **Opinion**

In our opinion, 3M United Kingdom Public Limited Company's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2024; the Profit and loss account, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

## **3M United Kingdom Public Limited Company**

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **3M United Kingdom Public Limited Company**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of results by management through fictitious journal postings to achieve performance targets. Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance and the in-house legal team to identify any actual or potential fraud or litigation and claims, or any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Identifying and testing of journal entries based on our risk assessment criteria, in particular any journals with unusual account combinations that represent a risk of material misstatement due to fraud;
- Designing and performing unpredictable procedures to address the principal risks of fraud; and
- Review of financial statements disclosures and testing of supporting documentations to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**3M United Kingdom Public Limited Company**

## Other required reporting

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Fiona Hornsby (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP Chartered  
Accountants and Statutory Auditors  
Reading  
20 June 2025

### 3M United Kingdom Public Limited Company

#### Profit and loss account For the year ended 31 December 2024

	Note	Continuing operations 2024 £000	Discontinued operations 2024 £000	Total 2024 £000	Continuing operations 2023 £000	Discontinued operations 2023 £000	Total 2023 £000
Turnover	5	462,820	-	462,820	466,390	109,426	575,816
Cost of sales		(358,384)	-	(358,384)	(460,602)	(109,721)	(570,323)
<b>Gross profit/ (loss)</b>		<u>104,436</u>	<u>-</u>	<u>104,436</u>	<u>5,788</u>	<u>(295)</u>	<u>5,493</u>
Distribution costs		(51,128)	-	(51,128)	(52,883)	(23,785)	(76,668)
Administrative expenses		(43,967)	-	(43,967)	(38,866)	(4,594)	(43,460)
Other operating income	6	20,838	-	20,838	100,064	31,956	132,020
<b>Operating profit</b>	7	<u>30,179</u>	<u>-</u>	<u>30,179</u>	<u>14,103</u>	<u>3,282</u>	<u>17,385</u>
Income from shares in group undertakings	11	104,712	-	104,712	32,099	-	32,099
Interest receivable and similar income	12	22,498	-	22,498	10,003	-	10,003
Interest payable and similar expenses	13	(935)	-	(935)	(1,132)	-	(1,132)
Gain on sale of investments	18	-	-	-	-	110,711	110,711
<b>Profit before tax</b>		<u>156,454</u>	<u>-</u>	<u>156,454</u>	<u>55,073</u>	<u>113,993</u>	<u>169,066</u>
Tax on profit	14	(12,597)	-	(12,597)	(15,137)	-	(15,137)
<b>Profit for the financial year</b>		<u><u>143,857</u></u>	<u><u>-</u></u>	<u><u>143,857</u></u>	<u><u>39,936</u></u>	<u><u>113,993</u></u>	<u><u>153,929</u></u>

The notes on pages 26 to 60 form part of these financial statements.

**3M United Kingdom Public Limited Company**

**Statement of comprehensive income  
For the year ended 31 December 2024**

	<b>Note</b>	<b>2024 £000</b>	<b>2023 £000</b>
Profit for the financial year		143,857	153,929
Remeasurement losses on defined benefit pension schemes before tax	19	(25,461)	(42,283)
Deferred tax income relating to defined benefit pension scheme	14	6,365	20,946
Other comprehensive expense for the year		(19,096)	(21,337)
Total comprehensive income for the year		124,761	132,592

The notes on pages 26 to 60 form part of these financial statements.

**3M United Kingdom Public Limited Company**  
**Registration number: 01123045**

**Balance sheet**  
**As at 31 December 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Goodwill	16	1,257	633
		<u>1,257</u>	<u>633</u>
Other intangible assets	16	1,107	1,163
Tangible assets	17	53,046	63,802
Investments	18	68,079	191,739
Post employment benefits	19	20,399	53,273
		<u>143,888</u>	<u>310,610</u>
<b>Current assets</b>			
Inventories	20	9,417	27,949
Debtors: amounts falling due within one year	21	515,600	467,334
Cash at bank and in hand	22	213	287
		<u>525,230</u>	<u>495,570</u>
Creditors: amounts falling due within one year	23	(260,133)	(513,816)
Provisions for liabilities	24	-	(5,533)
		<u>265,097</u>	<u>(23,779)</u>
<b>Net current assets/(liabilities)</b>			
		<u>408,985</u>	<u>286,831</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	23	(374)	(2,018)
Provisions for liabilities	24	(11,382)	(15,425)
		<u>397,229</u>	<u>269,388</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	25	20,595	20,595
Share premium account		73,477	73,477
Contribution to capital		49,733	49,733
Profit and loss account		253,424	125,583
		<u>397,229</u>	<u>269,388</u>
<b>Total equity</b>			
		<u><u>397,229</u></u>	<u><u>269,388</u></u>

**3M United Kingdom Public Limited Company**  
**Registration number: 01123045**

**Balance sheet (continued)**  
**As at 31 December 2024**

The financial statements on pages 21 to 60 were approved by the Board of Directors on 20 June 2025 and were signed on its behalf by:

L P Plaaterud  
Director

Signed by:  
*Lars Petter Plaaterud*  
C1A7947BB4514E3...

Date: 20-Jun-2025 | 08:34 CEST

The notes on pages 26 to 60 form part of these financial statements.

**3M United Kingdom Public Limited Company****Statement of changes in equity  
For the year ended 31 December 2024**

	Called up share capital £000	Share premium account £000	Contribution to capital £000	Profit and loss account £000	Total equity £000
At 1 January 2023	20,595	73,477	49,733	(10,129)	133,676
Profit for the year	-	-	-	153,929	153,929
Other comprehensive expense	-	-	-	(21,337)	(21,337)
Total comprehensive income	-	-	-	132,592	132,592
Credit for equity settled share based payments (note 26)	-	-	-	3,120	3,120
Total transactions with owners, recognised directly in equity	-	-	-	3,120	3,120
At 31 December 2023 and 1 January 2024	20,595	73,477	49,733	125,583	269,388
Profit for the year	-	-	-	143,857	143,857
Other comprehensive expense	-	-	-	(19,096)	(19,096)
Total comprehensive income	-	-	-	124,761	124,761
Credit for equity settled share based payments (note 26)	-	-	-	3,080	3,080
Total transactions with owners, recognised directly in equity	-	-	-	3,080	3,080
At 31 December 2024	20,595	73,477	49,733	253,424	397,229

A contribution of £8,000k to the Company's permanent capital was made during 1985 by 3M UK Holdings Limited. The Company has stated its intention not to withdraw this capital, which is intended to rank equally with equity share capital and has thus been included as part of equity shareholders' funds.

During 2013, 88.14% of the shares of a fellow subsidiary, 3M Health Care Limited, were transferred by way of a contribution to the Company of £41,700k. Following the transfer the Company owns 100% of the shares of 3M Health Care Limited. This transfer was part of the restructuring intended to simplify the Company structure across UK companies.

The notes on pages 26 to 60 form part of these financial statements.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements For the year ended 31 December 2024**

#### **1. General information**

3M United Kingdom Public Limited Company manufactures and markets a range of coated materials and other related products and services. These include abrasives, adhesives, cleaning materials, tapes, reflective materials, personal safety and office stationery products.

The Company is a public limited company limited by share capital, incorporated and domiciled in England, United Kingdom.

The address of its registered office is:

3M Centre, Cain Road, Bracknell, Berkshire, RG12 8HT, United Kingdom.

#### **2. Statement of compliance**

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

#### **3. Accounting policies**

##### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

These financial statements have been prepared under the going concern basis, using the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The financial statements are presented in Pounds Sterling ("£"), which is the presentation currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousands ("£ 000"), unless otherwise stated.

##### **Going concern**

The directors have assessed the position of the Company for the next 12 months and taking into account the performance of the Company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from when these financial statements are approved. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Summary of disclosure exemptions**

The Company has taken advantage of the following exemptions on the basis that it is a qualifying entity and the disclosures are included in the consolidated financial statements of its ultimate parent 3M Company which are publicly available (note 29):

- from preparing a statement of cash flows;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.42 to 11.48(c) and paragraphs 12.26 to 12.29;
- from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the year as required by paragraph 4.12(a)(iv) of FRS 102;
- from the requirements of FRS 102 paras 26.18(b), 26.19 - 26.21, 26.23 on the basis that the share based payments are related to equity instruments in the ultimate parent 3M Company and the equivalent disclosures are included in the consolidated financial statements of the 3M Company in which the Company is consolidated;
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- from disclosing related party transactions that are wholly owned within the same group as required by FRS 102 paragraph 33.8.

##### **Consolidated financial statement**

The Company is a wholly owned subsidiary of 3M Products Limited and of its ultimate parent 3M Company. It is included in the full consolidation of the financial statements of its ultimate parent, 3M Company (note 29). In accordance with the provisions of section 400 of the Companies Act 2006, group financial statements have not been prepared, and so these financial statements present the results of the Company only.

##### **Foreign currency transactions and balances**

Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the Balance sheet date. All foreign exchange differences are taken to the Profit and loss account in the year in which they arise.

##### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes. The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the Company's sales channels have been met, as described below.

Revenue is recognised on delivery of the product or service or once all risks and rewards have passed to the customer. Maintenance income is deferred to the future periods to which it relates.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Revenue recognition (continued)**

If the arrangement includes acceptance criteria, turnover is not recognised until the Company can objectively demonstrate that the software or service can meet the acceptance criteria, or the acceptance period lapses, whichever is earlier.

The Company acts as a contract manufacturer to 3M EMEA GMBH and also makes sales to third party customers. This results in certain products which are manufactured in the United Kingdom and sold to 3M EMEA GMBH and then subsequently repurchased before being sold to third parties. The quantum of these sales are separately disclosed in note 5. In both sales transactions the Company has acted as Principal in the transaction, as the Company has retained the significant risks and benefits associated with each transaction, and in accordance with UK GAAP the total sales reported includes the gross value of both transactions.

##### **Interest income**

Interest income is recognised using the effective interest rate method.

##### **Interest expense**

Interest expense is charged to the Profit and loss account using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

##### **Income from shares in group undertakings**

Dividend income is recognised when the right to receive payment is established.

##### **Employee benefits**

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### *Defined benefit pension obligation*

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The asset/liability recognised in the Balance sheet in respect of the defined benefit plan is the fair value of the plan assets at the reporting date less the present value of the defined benefit obligation at the end of the reporting date.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****3. Accounting policies (continued)****Employee benefits (continued)***Defined benefit pension obligation (continued)*

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises: (a) the increase in pension benefit liability arising from employee service during the period; and (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in Profit or loss account as 'Finance expense'.

*Defined contribution pension obligation*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

*Annual bonus plan*

The Company operates an annual bonus plan for employees. An expense is recognised in the Profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

**Taxation**

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

*(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### **3M United Kingdom Public Limited Company**

#### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Taxation (continued)**

###### *(ii) Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

##### **Intangible assets**

Customer relationship is stated at cost less accumulated amortisation. Customer relationship is amortised over its estimated useful life of 3 years, on a straight line basis.

Goodwill represents the excess of the fair value of the consideration given over the fair value of identifiable net assets acquired. Goodwill arising on acquisitions has been capitalised and is being amortised through the Profit and loss account on a straight-line basis over its estimated economic life, usually ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the Profit and loss account. No reversals of impairment are recognised. Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight-line basis.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

##### **Tangible assets**

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

##### **Depreciation**

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting year. The effect of any change is accounted for prospectively.

Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**3. Accounting policies (continued)**

**Depreciation (continued)**

Depreciation is not provided in respect of freehold land. Depreciation on other assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

Asset class	Depreciation rate
Land and buildings	10-50 years
Plant and machinery	5-36 years
Motor vehicles	1-6 years

*Derecognition*

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating(losses)/gains'.

**Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Profit or loss in the year in which they are incurred.

**Leased assets**

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

*(i) Finance leased assets*

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the Company's incremental borrowing rate is used.

Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Leased assets (continued)**

###### *(ii) Operating leased asset*

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Profit and loss account on a straight-line basis over the period of the lease.

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the Profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

Costs in respect of operating leases are charged to the Profit and loss account on a straight-line basis over the lease term. Leasing agreements which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting period. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

##### **Investments**

Investments are recorded at cost plus incidental expenses less accumulated impairment losses. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

##### **Inventories**

Inventories are stated at the lower of historical cost and estimated selling price less costs to complete and sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition. The cost of manufactured finished goods and work in progress includes design costs, raw materials, direct labour and other direct costs and related production overheads (based on normal operating capacity).

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the Profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the Profit and loss account.

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## 3M United Kingdom Public Limited Company

### Notes to the financial statements (continued) For the year ended 31 December 2024

#### 3. Accounting policies (continued)

##### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Restructuring provisions are recognised when the Company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

##### Financial instruments

##### Recognition and measurement

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

##### *(i) Financial assets*

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Profit and loss account.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Profit and loss account.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Financial instruments (continued)**

##### **Recognition and measurement (continued)**

###### *(ii) Financial liabilities*

Basic financial liabilities, including trade and other payables and amounts owed to fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Dividends**

Interim dividends are recognised when they are paid. Final dividends are recognised when the Company has declared them in a general meeting.

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the Statement of changes in equity.

##### **Related party transactions**

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

##### **Share based payments**

The ultimate parent company, 3M Company, operates an equity-settled, share-based compensation plan. Certain employees of the Company are awarded options over the shares in the ultimate parent. The fair value of the employee services received in exchange for these grants of options is recognised as an expense over the vesting period, with a corresponding increase in Retained earnings. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each Balance sheet date, the Company revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the Profit and loss account, with a corresponding adjustment to other reserves.

## **3M United Kingdom Public Limited Company**

### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **3. Accounting policies (continued)**

##### **Share based payments (continued)**

Upon exercise, 3M Company makes a recharge to the Company in respect of share options granted to the Company's employees. When incurred, these intercompany charges are offset in Retained earnings against the relevant capital contribution. If the amount of the intercompany charge exceeds the original capital contribution, that excess is treated as a distribution from the Company to its parent.

##### **Research and development**

Expenditure on research and development is charged to the Profit and loss account as incurred.

##### **Research and development tax credits**

The Company makes a claim Research and Development Expenditure Credit (RDEC) on qualifying expenditure incurred. The RDEC is recognised as a receivable when the directors have agreed by the Balance sheet date that the RDEC will be claimed by the Group, the conditions to obtain the credit have been complied with and there is reasonable assurance the credit will be received. The amounts are credited to other operating income in the Profit and loss account in the same period as the related research and development costs for which the grant is compensating.

##### **Discontinued operations**

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as discontinued operation, the comparatives of the Profit and loss account are presented as if the operation had been discontinued from the start of the comparative year. Results of discontinued operations are presented in a separate column as discontinued operations in the Profit and loss account. Additional disclosures are provided in note 15. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

The previous years numbers are derived from continued and discontinued operations.

##### **Contingencies**

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

### **3M United Kingdom Public Limited Company**

#### **Notes to the financial statements (continued) For the year ended 31 December 2024**

#### **4. Critical accounting judgements and estimation of uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### ***Critical accounting estimates and assumptions***

In the application of the Company's accounting policies which are described in note 3, the directors are required to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### ***(i) Defined benefit pension scheme***

The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Balance sheet. The assumptions reflect historical experience and current trends. See note 19 for the disclosures relating to the defined benefit pension scheme.

##### ***(ii) Impairment of investments***

Investments are assessed for impairment on an annual basis. The value of the investment in the subsidiary is compared to its net assets. Any unfavourable variance is investigated to assess whether the entity is able to generate sufficient net assets over the coming five-year period in order to make good any shortfall. Discounted cash flow method is used for the impairment assessment. All investments are impaired to net asset value if sufficient assurance is not obtained.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**5. Turnover**

The analysis of the Company's turnover for the year from the operations is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Sale of goods	462,820	575,816
	<u>462,820</u>	<u>575,816</u>

The analysis of the Company's turnover for the year by geographical area is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
United Kingdom and Ireland	315,557	405,702
Rest of Europe	146,059	159,471
Rest of World	1,204	10,643
	<u>462,820</u>	<u>575,816</u>

The analysis of the Company's turnover for the year by class of business is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Safety & Industrial Business Group	306,822	315,057
Health Care Business Group	-	109,426
Consumer Business Group	53,764	42,635
Transportation & Electronics Business Group	102,234	108,698
	<u>462,820</u>	<u>575,816</u>
Sales to 3M EMEA GMBH subsequently repurchased and sold to third party customers	(25,086)	(27,535)
<b>Net turnover*</b>	<u>437,734</u>	<u>548,281</u>

\* Net turnover represents turnover less sales to 3M EMEA GMBH subsequently repurchased and sold to third party customers.

The previous year numbers are derived from continued and discontinued operations.

The Company acted as a contract manufacturer for 3M EMEA GMBH and also makes sales to third party customers under the same terms and conditions of sale.

The Company, re-purchased stock from 3M EMEA GMBH which had previously been sold by the Company to 3M EMEA GMBH for £25,086k (2023: £27,535k) which was then immediately sold to third party customers.

In both sales transactions, the Company has acted as a principal in the transaction as the Company has retained the significant risks and benefits associated with each transaction and in accordance with FRS 102, the total sales reported above includes the gross value of both sales.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****6. Other operating income**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Business support payments	-	54,800
Recharge to group undertakings	20,838	77,220
	<u>20,838</u>	<u>132,020</u>

Recharges to group undertakings relate to costs incurred by the Company in performance of activities for the benefit of other group companies and the business support payments of £54,800k in prior year was received from 3M EMEA GmbH to compensate the Company for the challenging market conditions it faced in 2023 and to maintain operating income at a similar level to prior years.

The previous year numbers are derived from continued and discontinued operations (On 1 April 2024, 3M completed the previously announced separation of its Health Care business (the Separation) through a pro rata distribution of 80.1% of the outstanding shares of Solventum Corporation (Solventum) to 3M stockholders).

**7. Operating profit**

Arrived at after charging/(crediting)

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Research and development cost	11,409	16,504
Foreign exchange losses/(gains)	732	(9)
Operating lease expense - IT computers and hardware, fleet and pallet trucks	9,069	10,383
Operating lease expense - plant and machinery	596	176
(Profit)/loss on disposal of tangible assets	(8)	1,261
Impairment of trade receivables	607	949
(Reversal of impairment)/impairment of inventory - included in cost of sales	(5,227)	788
Inventory recognised as an expense - included in cost of sales	358,383	567,156
Amortisation on goodwill and other intangible assets (note 16)	906	2,645
Depreciation on tangible assets (note 17)	12,251	16,625

The previous year numbers are derived from continued and discontinued operations.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**8. Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	73,111	110,143
Social security costs	8,783	12,387
Other pension costs, defined contribution scheme (note 19)	5,672	7,687
Other pension costs, defined benefit scheme (note 19)	9,627	8,926
Share based payment - fair value of employee services	3,080	3,120
	<u>100,273</u>	<u>142,263</u>

The average monthly number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Production	456	642
Administration	148	172
Distribution and selling	332	541
Laboratory	99	166
	<u>1,035</u>	<u>1,521</u>

The previous year numbers are derived from continued and discontinued operations.

**9. Directors' remuneration**

The directors' emoluments for the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Aggregate emoluments and benefits (excluding gains on exercise of share options and value of shares received under long-term incentive schemes)	997	919
<b>Total directors' remuneration</b>	<u>997</u>	<u>919</u>

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**9. Directors' remuneration (continued)**

During the year the number of directors who were receiving benefits and share incentives was as follows:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Received share options in the ultimate parent company	4	5
Exercised share options in the ultimate parent company	-	-
Accruing benefits under defined benefit pension scheme	1	1
	<u>          </u>	<u>          </u>

In respect of the highest paid director:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Aggregate emoluments and benefits (excluding gains on exercise of share options and value of shares received under long-term incentive schemes)	406	341
	<u>          </u>	<u>          </u>

During the year the highest paid director received or was entitled to receive shares under a long term incentive scheme.

The highest paid director did not exercise any share options during the year (2023: £nil).

During the year, one director (2023: one director) was not paid by the Company and their directorship fees were not recharged by the Company as the percentage of time allotted to directorship is not material to justify a recharge.

The highest paid director was not part of the defined benefit pension scheme.

**10. Auditors' remuneration**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Audit of the financial statements	445	657
<b><i>Other fees to auditors</i></b>		
Audit-related assurance services	21	80
	<u>          </u>	<u>          </u>
<b><i>Total services</i></b>	<u>          </u>	<u>          </u>
	466	737

Non audit services fees payable to the auditors amounted to £nil (2023: £10k) in respect of grant work.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**11. Income from shares in group undertakings**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Dividend from subsidiaries	963	4
Distribution in specie	103,749	32,095
	<u>104,712</u>	<u>32,099</u>
	<u><u>104,712</u></u>	<u><u>32,099</u></u>

During the year, the Company received dividends of £951k from Capital Safety Group (Northern Europe) Limited and £12k from Capital Safety Group - Banská Bystrica, s.r.o. (2023: £4k from Capital Safety Group Banska Bystrica s.r.o) and distribution in specie of £227,409k were received during the year. This consisted of a return of capital from MModal Limited, 3M Health Care and Capital Safety Group (Northern Europe) Limited to the value of £6,866k, £113,418k and £3,376k (see note 18), and the remaining £103,749k received from 3M Health Care limited and was considered income from shares in group undertakings (2023: £32,095k from 3M Ireland Limited).

**12. Interest receivable and similar income**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Interest receivable on amounts owed by group undertakings	20,284	5,194
Interest receivable on bank deposits	-	75
Interest receivable on post-employment benefits (net) (note 19)	2,214	4,734
	<u>22,498</u>	<u>10,003</u>
	<u><u>22,498</u></u>	<u><u>10,003</u></u>

**13. Interest payable and similar expenses**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Interest payable on finance leases	933	1,105
Interest on bank overdraft	2	27
	<u>935</u>	<u>1,132</u>
	<u><u>935</u></u>	<u><u>1,132</u></u>

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**14. Tax on profit**

Tax expense included in the Profit and loss account

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b><i>Current taxation</i></b>		
United Kingdom corporation tax on profits for the year	17,965	9,543
Adjustment in respect of prior years	(1,924)	(1,683)
Total current income tax	<u>16,041</u>	<u>7,860</u>
<b><i>Deferred taxation</i></b>		
Origination and reversal of timing differences	(3,614)	(1,756)
Effect of changes in tax rates	-	(110)
Adjustment in respect of prior years	170	9,143
Total deferred taxation	<u>(3,444)</u>	<u>7,277</u>
<b><i>Tax expense in the Profit and loss account</i></b>	<b><u>12,597</u></b>	<b><u>15,137</u></b>
<b><i>Tax income included in other comprehensive expense</i></b>		
	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Deferred tax related to items of other comprehensive expense	<u>6,365</u>	<u>20,946</u>

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****14. Tax on profit (continued)**

The total tax charged for the year is lower than (2023: lower than) the standard rate of corporation tax in the United Kingdom of 25% (2023: 23.5%).

The differences are reconciled below:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Profit before tax	156,454	169,066
Profit before tax multiplied by standard rate in United Kingdom of 25% (2023: 23.5%)	39,114	39,765
<b>Effects of:</b>		
Non taxable income	(57,093)	(33,595)
Expenses not deductible for tax purposes	32,392	1,617
Effect of changes in tax rates	-	(110)
Adjustment in respect of prior years	(1,754)	7,460
Movement in deferred tax not recognised	(62)	-
Total tax charge for the year	12,597	15,137

**Factors that may affect future tax charges**

In accordance with Finance Act 2021 which was substantively enacted on 24 May 2021, the standard rate of corporation tax increased from 19% to 25% on 1 April 2023 and therefore the rate applied to the reported profit for the period is 25.00% (2023: 23.52%).

The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in England (the jurisdiction in which the Company is incorporated) and is effective in 2024. Under the legislation, the group is liable to pay a top up tax in the UK for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. The Company applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to FRS 102, paragraph 29 issued in July 2023.

Due to the transitional safe harbour, the Company does not anticipate any Pillar Two liability arising.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**14. Tax on profit (continued)**

*Deferred tax*

At 31 December 2024, there was a deferred tax liability of £884k (2023: £10,693k).

	<b>Liability £000</b>
<b>2024</b>	
Fixed asset timing differences	786
Short term timing differences - trading	98
	<u>884</u>
	<u><u>884</u></u>
	<b>Liability £000</b>
<b>2023</b>	
Fixed asset timing differences	1,954
Short term timing differences - trading	8,739
	<u>10,693</u>
	<u><u>10,693</u></u>

A deferred tax asset of £388k (2023: £1,778k) in relation to carried forward capital losses has not been recognised in the year due to uncertainty that there will be sufficient taxable profits against which the assets will crystallise in the foreseeable future.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****15. Discontinued operations**

In the prior year, 3M United Kingdom Public Limited Company undertook restructuring to spin off its healthcare business and as part of the restructuring it had contributed its Health Care Business Group ("HCBG") assets at book value amounting to £29k, to its 100% subsidiary KCI Medical Limited. The carrying value of net assets disposed were removed from the Company's Balance sheet at the date of asset transfer. In the prior year, all amounts related to the Health Care Business group had been included in discontinued operations in the Profit and loss account. The following table summarises the recognised amounts of assets and liabilities transferred at the date of transfer:

	<b>1 November 2023</b>
	<b>£000</b>
<b><i>Fixed assets</i></b>	
Negative goodwill	(3,380)
Goodwill	592
Other intangible assets	58
Tangible assets	1,638
	<hr/>
	(1,092)
<b><i>Current assets</i></b>	
Other current assets	5,397
<b><i>Current liabilities</i></b>	
Other current liabilities	(4,275)
	<hr/>
<b><i>Net assets transferred</i></b>	30
Sales consideration received	(30)
	<hr/>
<b><i>Loss on sale of operations</i></b>	<hr/> <hr/> -

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****16. Goodwill and other intangible assets**

	Customer relationships £000	Goodwill £000	Other intangibles - software £000	Patents and licenses £000	Total £000
<b><i>Cost or valuation</i></b>					
At 1 January 2024	2,060	127,695	6,490	229	136,474
Additions	-	1,347	144	-	1,491
Disposals	-	-	(6,292)	-	(6,292)
At 31 December 2024	<u>2,060</u>	<u>129,042</u>	<u>342</u>	<u>229</u>	<u>131,673</u>
<b><i>Accumulated amortisation</i></b>					
At 1 January 2024	1,183	127,062	6,204	229	134,678
Charge for the year	112	723	71	-	906
Disposals	-	-	(6,275)	-	(6,275)
At 31 December 2024	<u>1,295</u>	<u>127,785</u>	<u>-</u>	<u>229</u>	<u>129,309</u>
<b><i>Carrying amount</i></b>					
At 31 December 2024	<u>765</u>	<u>1,257</u>	<u>342</u>	<u>-</u>	<u>2,364</u>
At 31 December 2023	<u>877</u>	<u>633</u>	<u>286</u>	<u>-</u>	<u>1,796</u>

In the prior year, the Company acquired the Patents and licenses (cost: 229k and accumulated amortisation: 229k) from Capital Safety Group (Northern Europe) Limited which were fully amortised.

During the current year, the Company acquired the Goodwill of £1,347k from Meguiar Limited with accumulated amortisation of £247k thus resulting in net book value of £1,100k.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****17. Tangible assets**

	Land and buildings £000	Plant and machinery £000	Assets under construction £000	Motor vehicles £000	Total £000
<b><i>Cost or valuation</i></b>					
At 1 January 2024	71,293	83,062	3,389	23	157,767
Additions	712	919	2,353	-	3,984
Disposals	(2,384)	(35,924)	-	(23)	(38,331)
Transfers	136	848	(984)	-	-
Post-capitalisation	82	88	-	-	170
At 31 December 2024	<u>69,839</u>	<u>48,993</u>	<u>4,758</u>	<u>-</u>	<u>123,590</u>
<b><i>Accumulated depreciation</i></b>					
At 1 January 2024	32,330	61,612	-	23	93,965
Charge for the year	5,498	6,753	-	-	12,251
Disposals	(1,796)	(34,006)	-	(23)	(35,825)
Post-capitalisation	80	73	-	-	153
At 31 December 2024	<u>36,112</u>	<u>34,432</u>	<u>-</u>	<u>-</u>	<u>70,544</u>
<b><i>Carrying amount</i></b>					
At 31 December 2024	<u>33,727</u>	<u>14,561</u>	<u>4,758</u>	<u>-</u>	<u>53,046</u>
At 31 December 2023	<u>38,963</u>	<u>21,450</u>	<u>3,389</u>	<u>-</u>	<u>63,802</u>

In the prior year, the Company acquired the Leasehold property (cost: 28k and accumulated amortization: 28k) and, Motor Vehicles (cost: 23k and accumulated amortization: 23k) from Capital Safety Group (Northern Europe) Limited which were fully depreciated. In the current year, these have been written off.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**17. Tangible assets (continued)**

***Assets under finance leases and capitalised in land and buildings***

The net carrying amount of land and buildings include the following amounts in respect of assets held under finance leases:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Cost	29,810	29,810
Accumulated depreciation	(29,810)	(28,659)
	<u>-</u>	<u>1,151</u>
	<u><u>-</u></u>	<u><u>1,151</u></u>

Assets held under finance leases capitalised in land and buildings relate to the Company's head office at Cain Road, Bracknell. The lease on the premises has expired and is currently under negotiation but a short-term extension to March 2026 has been agreed, hence the carrying value in 2024 is nil (2023: £1,151).

**Analysis of Land and buildings**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b><i>Net book value</i></b>		
Freehold	33,727	37,812
Long leasehold	-	1,151
	<u>33,727</u>	<u>38,963</u>
	<u><u>33,727</u></u>	<u><u>38,963</u></u>

Of the £33,727k (2023: £38,963k) held under land and buildings £12,000k (2023: £12,000k) relates to freehold land.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****18. Investments**

<i>Subsidiaries</i>	<b>£000</b>
<i>Cost or valuation</i>	
At 1 January 2024	271,996
Return of capital	(123,660)
At 31 December 2024	<u>148,336</u>
<i>Accumulated impairment</i>	
At 1 January and 31 December 2024	<u>80,257</u>
<i>Carrying amount</i>	
At 31 December 2024	<u><u>68,079</u></u>
At 31 December 2023	<u><u>191,739</u></u>

During the current year, MModal Limited, 3M Health Care and Capital Safety Group (Northern Europe) Limited returned capital to the value of £6,866k, £113,418k and £3,376k respectively by way of dividend.

The directors believe that the book value of the investments is supported by the underlying net assets or the value in use.

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****18. Investments (continued)****Details of undertakings**

Details of the investments (including principal place of business of unincorporated entities) in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

<i>Undertaking</i>	<i>Registered office</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>
3M Health Care Limited	3M Centre Cain Road, Bracknell, Berkshire, United Kingdom, RG12 8HT	Ordinary £1	100%
3M Ireland Limited	70 Sir John Rogerson's Quay, Dublin 2, Ireland	Ordinary £1	100%
Scott Health & Safety Limited	3M Centre, Cain Road, Bracknell, Berkshire, RG12 8HT, United Kingdom	Ordinary £1	100%
Infrared Systems Group Ltd	3M Centre Cain Road, Bracknell, Berkshire, RG12 8HT, United Kingdom	Ordinary £1	100%
Capital Safety Group (Northern Europe) Limited	3M Centre, Cain Road, Bracknell, Berkshire, RG12 8HT, United Kingdom	Ordinary £1	100%

The principal business activities of these subsidiaries are:

**3M Health Care Limited**

Holds the relevant regulatory and manufacturing licenses for products that serve markets that include medical clinics and hospitals, pharmaceuticals, orthodontic practitioners, and health information systems. The entity is due to be liquidated in the coming year. The address of the registered office is 3M Centre Cain Road, Bracknell, Berkshire, United Kingdom, RG12 8HT. During the current year, the Company's investment in 3M Health Care Limited was returned capital to the value of £113,418k (2023: £nil). As at 31 December 2024, the carrying value of investment in shares of 3M Health Care Limited was £1 (2023: £113,418k).

**3M Ireland Limited**

Markets a range of coated materials and other related products and services. These include abrasives, adhesives, tapes, reflective materials, personal safety and office stationery products. It also serves markets that include medical clinics, hospitals, pharmaceuticals, dental and orthodontic practitioners, and health information systems. The address of the registered office is 70 Sir John Rogerson's Quay, Dublin 2, Ireland. As at 31 December 2024, the carrying value of investment in shares of 3M Ireland Limited is £46k (2023: £46k).

**Scott Health & Safety Limited**

Designs and manufactures respiratory, head and sensory personal protective equipment, as well as related safety equipment. The address of the registered office is 3M centre, Cain Road, Bracknell, Berkshire RG12 8HT. During the current year, the Company's investment in Scott Health & Safety Limited was impaired by £nil (2023: £nil). As at 31 December 2024, the carrying value of investment in shares of Scott Health & Safety Limited is £68,033k (2023: £68,033k).

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**18. Investments (continued)**

**Infrared Systems Group Ltd**

Manufactures optical precision instruments and systems. The address of the registered office is 3M centre, Cain Road, Bracknell, Berkshire, RG12 8HT. It is a 100% owned subsidiary of Scott Health & Safety Limited, so an indirect subsidiary of the Company.

**Capital Safety Group (Northern Europe) Limited**

The principal activity of the Company is the marketing of fall-arrest and rescue systems for industrial applications. There is also a training centre which offers Working at Height activities and courses. During the current year, the company's investment in Capital Safety Group (Northern Europe) Limited returned capital to the Company, to the value of £3,376k (2023: £nil) thus resulting in the carrying value of £nil (2023: £3,376k).

**Mmodal Limited**

Provides internet based technology solutions. It has been acquired by the Company on 1 November 2019 and is 100% owned by the Company. The address of the registered office is 3M centre, Cain Road, Bracknell, Berkshire RG12 8HT. During the current year, MModal Limited returned capital to the Company, to the value of £6,866k. The Company disposed of the entire issued share capital of MModal Limited to KCI Medical Limited for cash consideration equal to the fair market value of the Company at that time (£1). The Company resulting investment in MModal Limited was £nil at 31 December 2024 (2023: £6,866k)

Summary of the above transactions is presented in the below table:-

<b>Entity name</b>	<b>Opening balance</b>	<b>Additions during the year</b>	<b>Return of capital</b>	<b>Closing balance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
3M Health Care Limited	113,418	-	113,418	-
3M Ireland Limited	46	-	-	46
Scott Health & Safety Limited	68,033	-	-	68,033
Mmodal Limited	6,866	-	6,866	-
Capital Safety Group (Northern Europe) Limited	3,376	-	3,376	-
	<b>191,739</b>	<b>-</b>	<b>123,660</b>	<b>68,079</b>

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**19. Pension and other schemes**

The Company operates a number of pension schemes for its employees. The amounts recognised in the Balance sheet is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Defined benefit scheme asset	20,399	53,273

The amount recognised in the Profit and loss account is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Defined benefit scheme:		
Current service costs	9,428	8,763
Past service costs	(870)	-
Administration costs	1,069	163
Net interest income	(2,214)	(4,734)
Defined contribution scheme: current year contributions	5,672	7,687
Total charge	<u>13,085</u>	<u>11,879</u>

a) Defined benefit pension schemes

**3M Pension and Life Assurance Scheme**

During the year, the Company operated one defined benefit pension scheme funded by both employers' and employees' contributions; 3M Pension and Life Assurance.

3M Pension and Life Assurance Scheme is a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefits on the basis of members' final salary. The Company has agreed a funding plan with the trustees, whereby ordinary contributions are made into the scheme based on a percentage of active employees' salary. Additional contributions are agreed with the trustee to reduce the funding deficit where necessary. On 30 June 2003, the defined benefit pension scheme was closed to new entrants. At the same time, the Company established a defined contribution scheme to provide benefits to new employees.

On 30 April 2016 the scheme assets and liabilities of the Security, Printing and Systems Limited pension scheme were merged in to the 3M Pension and Life Assurance Scheme.

An actuarial valuation of the 3M Pension and Life Assurance scheme using the projected unit basis, was carried out on 05 April 2021 by Aon Consulting Solutions UK Limited, independent consulting actuaries. A funding valuation as at 5 April 2024 is currently being carried out.

During the year, the number of active members in the Scheme declined due to company actions at the Atherstone manufacturing site and Solventum spin-off. This change in status of these members has resulted in a curtailment gain of £870k.

Following the merger of 3M Health Care Limited in 2016, the Company has become the only participating employer of the 3M Pension and Life Assurance Scheme. Therefore the full assets and liabilities of the scheme were shown in these financial statements, with the 3M Health Care Limited balances shown as transfers in.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**19. Pension and other schemes (continued)**

***Principal actuarial assumptions***

The principal actuarial assumptions at the Balance sheet date are as follows:

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.00	3.00
Rate of increase in pensions in payment		
- Pension accrued after 6 April 1997	3.00	3.00
- Pension accrued after 5 April 2006	2.00	2.00
- Pension accrued after April 2016	1.80	1.80
- SPSL excess pension	2.50	2.40
Discount rate:		
- DBO	5.60	4.62
-Service Costs	5.68	4.63
- Net Interest Costs	5.37	4.61
Rate of inflation:		
- RPI	3.10	3.10
- CPI	2.50	2.40

***Post retirement mortality assumptions***

	<b>2024</b>	<b>2023</b>
	<b>Years</b>	<b>Years</b>
Current UK pensioners at retirement age of 65 - male	87.00	87.00
Current UK pensioners at retirement age of 65 - female	88.60	88.50
Future UK pensioners at retirement age of 65 - male	88.30	88.30
Future UK pensioners at retirement age of 65 - female	90.10	90.00

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**19. Pension and other schemes (continued)**

Reconciliation of scheme assets and liabilities to assets and liabilities recognised:

	<b>Assets £000</b>	<b>Liabilities £000</b>	<b>Changes in effect of asset ceiling £000</b>	<b>Total £000</b>
At 1 January 2024	1,916,985	(1,310,229)	(553,483)	53,273
Benefits paid	(79,769)	79,769	-	-
Past service costs	-	870	-	870
Current service costs	-	(9,428)	-	(9,428)
Interest income/(expense)	60,994	(58,780)	-	2,214
Actuarial (losses)/gains on assets/liabilities	(97,305)	138,016	-	40,711
Change in effect of the asset ceiling of current year	-	-	(66,172)	(66,172)
Administration costs	(1,069)	-	-	(1,069)
<b>At 31 December 2024</b>	<b>1,799,836</b>	<b>(1,159,782)</b>	<b>(619,655)</b>	<b>20,399</b>

Total costs recognised as an expense:

	<b>2024 £000</b>	<b>2023 £000</b>
Current service costs	9,428	8,763
Past service costs	(870)	-
Administration costs	1,069	163
Net interest income	(2,214)	(4,734)
	<b>7,413</b>	<b>4,192</b>

The equity investments and bonds which are held in plan assets are quoted and are valued at the current bid price. Scheme assets do not include any of the Company own financial instruments, or any property occupied by the Company.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**19. Pension and other schemes (continued)**

***Analysis of assets***

The major categories of scheme assets are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Cash and cash equivalents	55,132	43,894
Equity instruments	118,453	105,639
Bonds	1,555,679	1,669,695
Alternatives	70,572	97,757
	<u>1,799,836</u>	<u>1,916,985</u>

Return on scheme assets

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Interest income on Scheme assets	60,994	66,238
Actuarial (losses)/gains on Scheme assets	(97,305)	74,448
	<u>(36,311)</u>	<u>140,686</u>

Amounts recognised in other comprehensive expense in relation to pension scheme:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Actuarial (losses)/gains on Scheme assets	(97,305)	74,448
Actuarial gains/(losses) on Pension obligations	138,016	(48,674)
Change in effect of the asset ceiling	(66,172)	(68,057)
	<u>(25,461)</u>	<u>(42,283)</u>

**b) Defined contribution pension scheme**

Following the closure of the defined benefit scheme to new entrants, the Company provides a defined contribution scheme for its employees.

The amount recognised as an expense for the defined contribution scheme was:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Current year contributions	<u>5,672</u>	<u>7,687</u>

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****20. Inventories**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Raw materials and consumables	4,313	7,139
Work in progress	4,827	18,990
Finished goods and goods for resale	277	1,820
	<u>9,417</u>	<u>27,949</u>

The replacement cost of stocks is not substantially different from its book value. Inventories are stated after provisions for impairment of £365k (2023: £5,300k).

**21. Debtors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	55,508	47,668
Amounts owed by group undertakings	457,288	416,648
Other debtors	242	536
Prepayments and accrued income	2,562	2,482
	<u>515,600</u>	<u>467,334</u>

This year the Company is recognising the balance held with 3M UK Holding Limited on a net basis, given it intends to settle these balances this way and has the legal right to do so. In 2023, this balance was disclosed as a £38,000k debtors and £220,000k creditor balance.

Amounts owed by group undertakings bear interest at the Overnight SONIA less 2.8 bps with the exception of £31,894k (2023: £104,950k) which are unsecured, repayable on demand and interest free.

Trade debtors are stated after provisions for impairment of £1,058k (2023: £1,118k).

**22. Cash at bank and in hand**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<u>213</u>	<u>287</u>

**3M United Kingdom Public Limited Company****Notes to the financial statements (continued)  
For the year ended 31 December 2024****23. Creditors**

	2024 £000	2023 £000
<b>Amounts falling due within one year</b>		
Finance leases	1,436	3,551
Trade creditors	24,536	26,120
Amounts owed to group undertakings	204,418	466,480
Corporation tax payable	4,057	1,887
Other taxation and social security	6,548	6,356
Other creditors	3,427	1,469
Accruals and deferred income	15,711	7,953
	<u>260,133</u>	<u>513,816</u>
<b>Amounts falling due after more than one year</b>		
Finance leases	<u>374</u>	<u>2,018</u>

This year the Company is recognising the balance held with 3M UK Holding Limited on a net basis, given it intends to settle these balances this way and has the legal right to do so. In 2023, this balance was disclosed as a £38,000k debtors and £220,000k creditor balance.

Amounts owed to group undertakings are unsecured, repayable on demand and interest free.

**24. Provisions for liabilities**

	<i>Within one year</i>	<i>More than one year</i>	<i>More than one year</i>	<i>More than one year</i>	<i>More than one year</i>	
	<b>Reorganisation provision £000</b>	<b>Product provisions £000</b>	<b>Dilapidations provisions £000</b>	<b>Deferred tax £000</b>	<b>Environmental provision £000</b>	<b>Total £000</b>
At 1 January 2024	5,533	575	4,157	10,693	-	20,958
Adjustment in respect of prior years	-	-	-	170	-	170
Provisions utilised	(4,935)	(118)	-	(9,979)	-	(15,032)
Reclassification of existing provisions	-	-	-	-	5,884	5,884
Unused provision reversed	(598)	-	-	-	-	(598)
<b>At 31 December 2024</b>	<u>-</u>	<u>457</u>	<u>4,157</u>	<u>884</u>	<u>5,884</u>	<u>11,382</u>

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**24. Provisions for liabilities (continued)**

**Reorganisation**

The provision was related to a number of restructuring schemes in different parts of the business which was utilised by August 2024.

**Product liability**

The provision relates to ongoing product claims. The provision is expected to be utilised during the next five years.

**Dilapidations**

The dilapidations provision relates to a liability at the end of the capital lease for the Company's head office which is expected to be utilised by 30 March 2026.

**Environmental provision**

The provision relates to the costs associated with remediation strategy for soils and groundwater at the 3M Gorseinon site (not in use). The provision is expected to be utilised during the next 5 years.

**25. Called up share capital**

**Allotted, called up and fully paid**

	<b>No. 000</b>	<b>2024 £000</b>	<b>No. 000</b>	<b>2023 £000</b>
Ordinary share of £1 each	20,595	20,595	20,595	20,595

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**26. Share based payments**

**Management Stock Ownership Plan**

The parent company issues Management Stock Ownership Plan (MSOP) options to eligible employees annually in February. Under the plan, the parent company has principally issued stock options to management employees that are granted at market value on the date of grant. In addition to grants to management employees, the Company makes other minor stock options grants to employees, for which vesting terms and option lives are not substantially different, and also makes minor grants of restricted stock units and other stock-based grants.

The vesting period for the stock options is three years with the expiration date of 10 years from the date of the grant. Exercise of an option is subject to continued employment unless retiring.

The Company also issues restricted stock units (RSU's). The vesting period for the RSU's is three years with the expiration date of 3 years from the date of the grant. Exercise of an RSU is subject to continued employment unless retiring.

During the year, the charge to the Profit and loss account for share based payment was £3,080k (2023: £3,120k).

On exercise of the shares by employees, the Company is charged the intrinsic value of the shares by 3M Company. Payments of £nil (2023: £nil) were recognised directly into equity.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**27. Finance leases**

Future minimum payments under finance lease payments are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Not later than 1 year	1,436	3,551
Later than one year and not later than five years	887	887
	<u>2,323</u>	<u>4,438</u>
Additions	-	3,724
	<u>2,323</u>	<u>8,162</u>
Less: finance charges	(513)	(2,593)
<b>Carrying amount of liability</b>	<u><u>1,810</u></u>	<u><u>5,569</u></u>

**28. Commitments**

**Capital commitments**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Contracts placed for future capital expenditure not provided for in the financial statements	709	3,124
	<u><u>709</u></u>	<u><u>3,124</u></u>

**Operating lease commitments**

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

**Property leases**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>Payments due</b>		
Not later than one year	2,096	5,752
Later than one year and not later than five years	305	2,839
Later than five years	-	-
	<u>2,401</u>	<u>8,591</u>
	<u><u>2,401</u></u>	<u><u>8,591</u></u>

The Company has no other off-Balance sheet arrangements.

**3M United Kingdom Public Limited Company**

**Notes to the financial statements (continued)  
For the year ended 31 December 2024**

**29. Parent and ultimate parent undertaking**

The Company's immediate parent is 3M Products Limited, incorporated in England, United Kingdom.

The Company is a wholly owned subsidiary of 3M Company, a company incorporated in the United States of America, as the ultimate parent company and controlling party. This is the largest, and also the smallest, group of which the Company is a member and for which group financial statements are prepared. Copies of the consolidated financial statements of the ultimate parent company may be obtained from 3M Investor Relations, 3M Center, Building 225-SN-04 St Paul, MN 55144-1000, USA.

Financial statements of certain of the US and UK companies are also available on the internet at <http://www.3m.com/uk>. The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

**30. Post Balance sheet events**

The Company paid interim dividends of £125,000k to its parent (3M Product Limited) on 16 January 2025.