

3M Company
Diversified Industrials

Company	
Country	United States
Number of Employees	67'100
Web	www.mmm.com

Share	
Market cap (mil)	54'902
Currency	USD
High 52 week	87.5
Low 52 week	71.0
Last Price	71.8

Key Data	2004	2005E
Sales (mil)	18'232	20'011
EPS	3.07	4.24
P/E Ratio	22.47	16.94

Source: Bloomberg / August 18, 2005

Sales in	
Alcohol	No
Armaments	No
Firearms	No
Tobacco	No
Gambling	No

Source: IRRC, SAM Research

Company Description

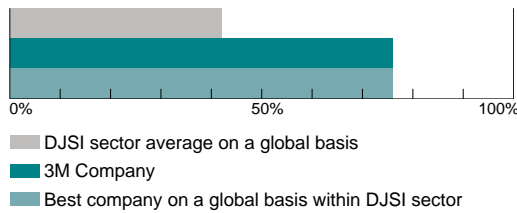
3M Company (3M), formerly known as Minnesota Mining & Manufacturing Co., is a US-based diversified technology company organized into seven major businesses: Consumer and Office; Display and Graphics; Electro and Communications; Health Care; Industrial; Safety, Security and Protection; and Transportation. 3M is characterized by substantial intercompany cooperation in research, manufacturing and marketing of products. Through innovation and leading expertise in material sciences, 3M has created brands and products ranging from Post-it Notes and Scotch Tapes to reflective sheeting for road signs and optical films for electronic displays. Headquartered in St. Paul, Minnesota, the company has operations in more than 60 countries. In 2004, 61 percent of revenues were generated outside the US. In 2005, 3M acquired CUNO which designs, manufactures, and markets filtration products for the separation, clarification, and purification of fluids and gases.

Sustainability Performance

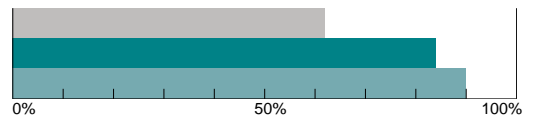
Since inception of the DJSI World in 1999, 3M has lead the industrial goods and services companies in terms of corporate sustainability, and this year is no different. 3M's track record in managing sustainability issues, however, is much longer than seven years. With the Pollution Prevention Pays (3P) program starting its forth decade, it comes as no surprise that the visibility regarding 3M's environmental management systems and eco-efficiency is good and that the majority of indicators point in the right direction. Eco-design and life-cycle assessment techniques are systematically used during new product development thereby responding to customer demand for environmentally lean products and reducing exposure to future liabilities. Recent examples from the innovation stream include fire protection fluids with minimal environmental impact and low emission solvent and solventless technologies for adhesive applications. The stream of product innovations is grounded in the company's approach to human capital development and talent attraction and retention, criteria in which the company outperforms its industry peers.

Sustainability Scores

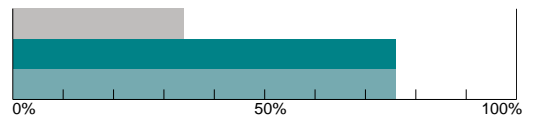
Total Score



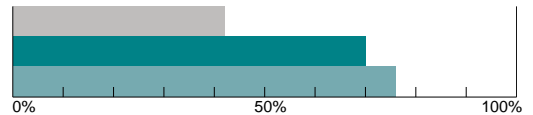
Economic Dimension



Environmental Dimension



Social Dimension



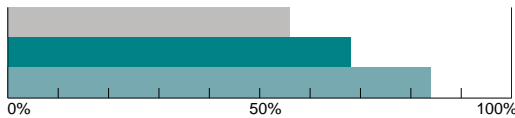
Industry Driving Forces

While diversified industrials should maintain good environmental management in manufacturing, for most companies the main challenges and opportunities are associated with products. Issues include efficiency, safety, hazardous content and end-of-life options. For equipment markets, preparing for customer's present and future carbon-constraints is an important part of product development. The focus on efficiency improvements for customers is becoming a potential advantage for companies selling into the more resource-constrained markets of China and India. Performance contracts are among the interesting strategies to capitalize on customer's potential savings in the life-cycle costs of products. For consumer facing businesses, the Eco-Design Framework will become increasingly relevant as it passes into law. Typically, diversified industrials have a global presence including emerging economies. To manage the workforce's diverse cultural background a focus on common values is required, including policies and compliance systems to avoid corruption and illegal market practice. As supply chains expand in emerging markets, the risk exposure to human rights abuses increases. Minimizing reputational risks has to be part of supply chain management.

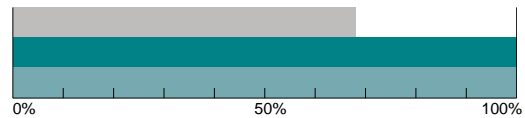
Company Performance for selected Criteria

Economic

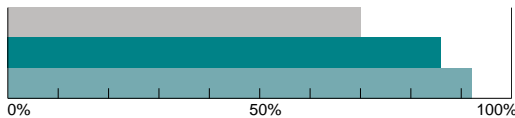
Codes of Conduct/Compliance/Corruption & Bribery



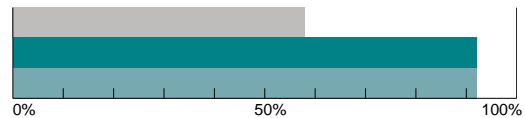
Risk & Crisis Management



Corporate Governance

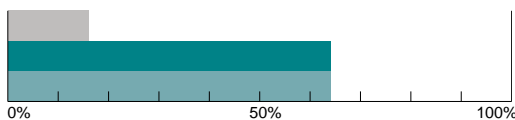


Customer Relationship Management

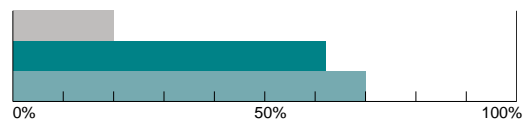


Environmental

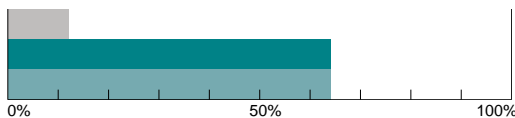
Environmental Performance (Eco-Efficiency)



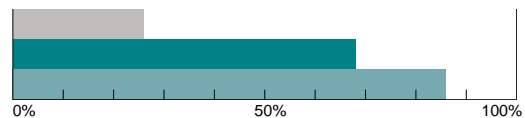
Product Stewardship



Advanced Environmental Performance

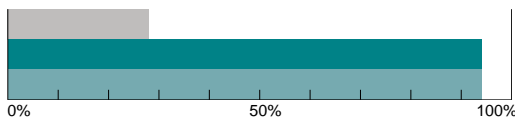


Climate Strategy

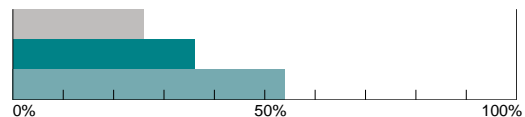


Social

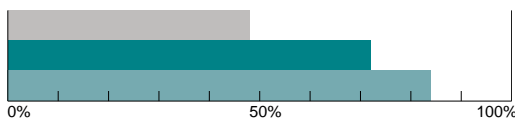
Human Capital Development



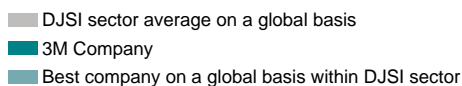
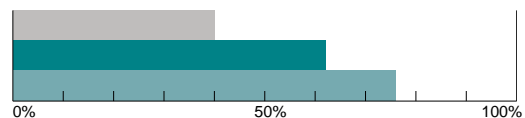
Global Sourcing



Occupational Health & Safety



Talent Attraction & Retention



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