

**3M Company**  
IDD Diversified Industrials

Company	
Country	United States
Number of Employees	69'315
Web	www.mmm.com

Share	
Market cap (mil)	53'668
Currency	USD
High 52 week	88.4
Low 52 week	67.1
Last Price	71.2

Key Data	2005	2006E
Sales (mil)	21'167	22'741
EPS	4.49	5.00
P/E Ratio	15.87	14.26

Source: Bloomberg / August 21, 2006

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

Source: ISS, SAM Research

**Company Description**

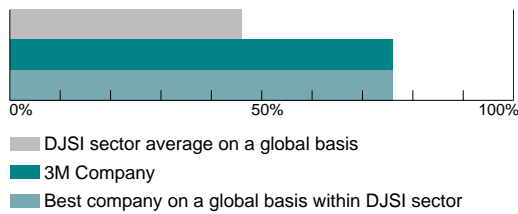
3M Company (3M), formerly known as Minnesota Mining & Manufacturing Co., is a US-based diversified technology company organized into seven major businesses: Consumer and Office; Display and Graphics; Electro and Communications; Health Care; Industrial; Safety, Security and Protection; and Transportation. 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 2005, 61 percent of revenues were generated outside the US.

**Sustainability Performance**

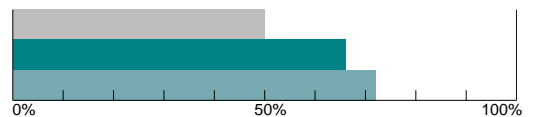
3M has been at the top of the industrial goods and services companies in terms of corporate sustainability since inception of the DJSI World in 1999. This year is no different. With 3M's Pollution Prevention Pays (3P) program being in its fourth decade, the high visibility regarding environmental management systems and eco-efficiency comes as no surprise. Emission data point toward consistent improvement in eco-efficiency. 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 as well as 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**

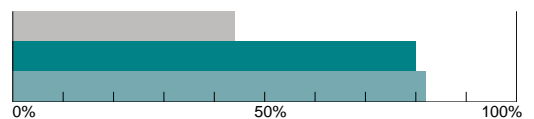
**Total Score**



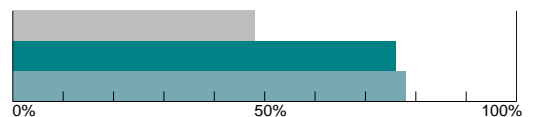
**Economic Dimension**



**Environmental Dimension**



**Social Dimension**



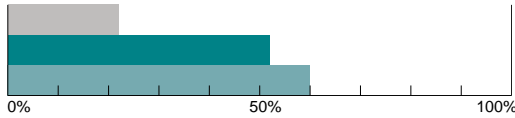
**Industry Driving Forces**

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. 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.

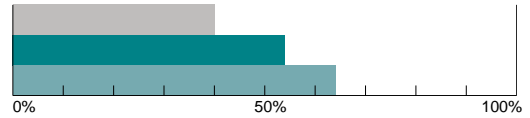
**Company Performance for selected Criteria**

**Economic**

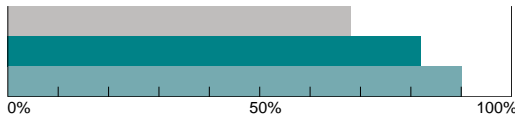
**Customer Relationship Management**



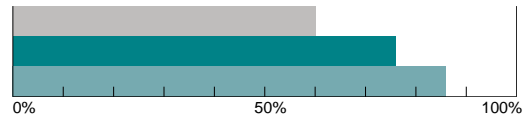
**Risk & Crisis Management**



**Corporate Governance**

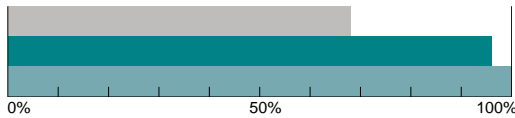


**Codes of Conduct/Compliance/Corruption & Bribery**

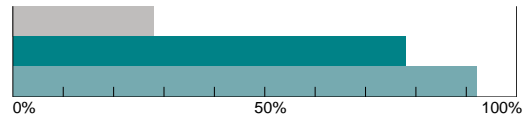


**Environmental**

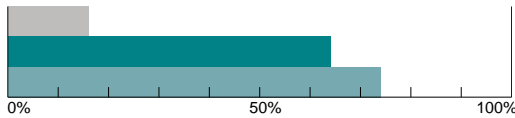
**Environmental Policy/Management**



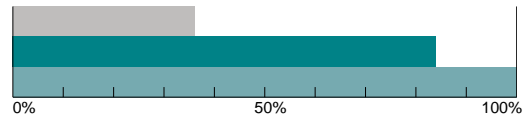
**Climate Strategy**



**Advanced Environmental Performance**

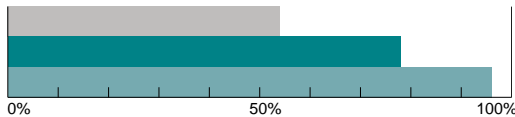


**Environmental Performance (Eco-Efficiency)**

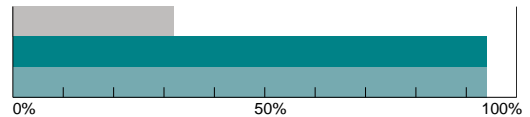


**Social**

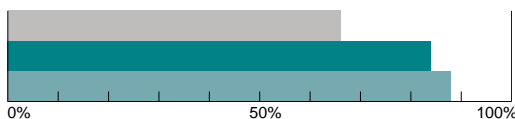
**Occupational Health & Safety**



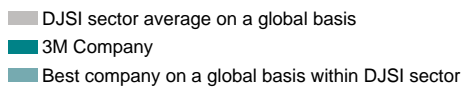
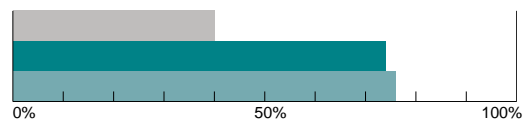
**Human Capital Development**



**Labor Practice Indicators**



**Talent Attraction & Retention**



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