UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2024

or

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to __________

Commission file number: 1-3285

3M COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**41-0417775**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)
3M Center, St. Paul, Minnesota	**55144-1000**
(Address of Principal Executive Offices)	(Zip Code)

(Registrant's Telephone Number, Including Area Code) (651) 733-1110

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value $.01 Per Share	MMM	New York Stock Exchange
	MMM	Chicago Stock Exchange, Inc.
1.500% Notes due 2026	MMM26	New York Stock Exchange
1.750% Notes due 2030	MMM30	New York Stock Exchange
1.500% Notes due 2031	MMM31	New York Stock Exchange

Note: The common stock of the Registrant is also traded on the SIX Swiss Exchange.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at June 30, 2024
Common Stock, $0.01 par value per share	549,353,621 shares

3M COMPANY
Form 10-Q for the Quarterly Period Ended June 30, 2024

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For the Quarterly Period Ended June 30, 2024
PART I. Financial Information

Item 1. Financial Statements

3M Company and Subsidiaries
Consolidated Statement of Income (Loss)
(Unaudited)

(Millions, except per share amounts)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Net sales	**$ 6,255**	$ 6,283	**$ 12,271**	$ 12,338
Operating expenses				
Cost of sales	**3,571**	3,728	**7,056**	7,472
Selling, general and administrative expenses	**1,132**	11,615	**2,260**	12,763
Research, development and related expenses	**280**	298	**534**	595
Total operating expenses	**4,983**	15,641	**9,850**	20,830
Operating income (loss)	**1,272**	(9,358)	**2,421**	(8,492)
Other expense (income), net	**(138)**	72	**82**	128
Income (loss) from continuing operations before income taxes	**1,410**	(9,430)	**2,339**	(8,620)
Provision (benefit) for income taxes	**203**	(2,261)	**423**	(2,116)
Income (loss) from continuing operations of consolidated group	**1,207**	(7,169)	**1,916**	(6,504)
Income (loss) from unconsolidated subsidiaries, net of taxes	**3**	3	**4**	5
Net income (loss) from continuing operations including noncontrolling interest	**1,210**	(7,166)	**1,920**	(6,499)
Less: Net income (loss) attributable to noncontrolling interest	**6**	5	**11**	10
Net income (loss) from continuing operations attributable to 3M	**1,204**	(7,171)	**1,909**	(6,509)
Net income (loss) from discontinued operations, net of taxes	**(59)**	330	**164**	644
Net income (loss) attributable to 3M	**$ 1,145**	$ (6,841)	**$ 2,073**	$ (5,865)
Earnings (loss) per share attributable to 3M common shareholders:				
Weighted average 3M common shares outstanding — basic	**553.8**	553.9	**554.4**	553.3
Earnings (loss) per share from continuing operations — basic	**$ 2.17**	$ (12.94)	**$ 3.44**	$ (11.76)
Earnings (loss) per share from discontinued operations — basic	**(0.10)**	0.59	**0.30**	1.16
Earnings (loss) per share — basic	**$ 2.07**	$ (12.35)	**$ 3.74**	$ (10.60)
Weighted average 3M common shares outstanding — diluted	**554.8**	553.9	**555.3**	553.3
Earnings (loss) per share from continuing operations — diluted	**$ 2.17**	$ (12.94)	**$ 3.44**	$ (11.76)
Earnings (loss) per share from discontinued operations — diluted	**(0.10)**	0.59	**0.29**	1.16
Earnings (loss) per share — diluted	**$ 2.07**	$ (12.35)	**$ 3.73**	$ (10.60)

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

3M Company and Subsidiaries
Consolidated Statement of Comprehensive Income (Loss)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
(Millions)	**2024**	**2023**	**2024**	**2023**
Net income (loss) attributable to 3M	**$ 1,145**	$ (6,841)	**$ 2,073**	$ (5,865)
Net income (loss) attributable to noncontrolling interest	**6**	5	**11**	10
Net income (loss) including noncontrolling interest	**1,151**	(6,836)	**2,084**	(5,855)
Other comprehensive income (loss), net of tax:				
Cumulative translation adjustment	**(145)**	25	**(353)**	141
Defined benefit pension and postretirement plans adjustment	**826**	50	**961**	101
Cash flow hedging instruments	**(7)**	23	**19**	(1)
Total other comprehensive income (loss), net of tax	**674**	98	**627**	241
Comprehensive income (loss) including noncontrolling interest	**1,825**	(6,738)	**2,711**	(5,614)
Comprehensive (income) loss attributable to noncontrolling interest	**(5)**	(6)	**(11)**	(11)
Comprehensive income (loss) attributable to 3M	**$ 1,820**	$ (6,744)	**$ 2,700**	$ (5,625)

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

3M Company and Subsidiaries
Consolidated Balance Sheet
(Unaudited)

(Dollars in millions, except per share amount)	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 10,083	$ 5,735
Marketable securities — current	255	50
Accounts receivable — net of allowances of **$64** and $62	3,575	3,601
Inventories		
Finished goods	1,956	1,842
Work in process	1,193	1,242
Raw materials and supplies	911	860
Total inventories	4,060	3,944
Prepaids	444	344
Other current assets	1,098	326
Current assets of discontinued operations	—	2,379
Total current assets	19,515	16,379
Property, plant and equipment	23,278	23,494
Less: Accumulated depreciation	(15,806)	(15,804)
Property, plant and equipment — net	7,472	7,690
Operating lease right of use assets	610	657
Goodwill	6,318	6,382
Intangible assets — net	1,266	1,323
Other assets	8,196	6,806
Non-current assets of discontinued operations	—	11,343
Total assets	$ 43,377	$ 50,580
Liabilities		
Current liabilities		
Short-term borrowings and current portion of long-term debt	$ 1,302	$ 2,947
Accounts payable	2,813	2,776
Accrued payroll	602	695
Accrued income taxes	407	304
Operating lease liabilities — current	169	192
Other current liabilities	9,052	6,660
Current liabilities of discontinued operations	—	1,723
Total current liabilities	14,345	15,297
Long-term debt	11,781	13,088
Pension and postretirement benefits	1,717	2,156
Operating lease liabilities	443	464
Other liabilities	11,103	14,021
Non-current liabilities of discontinued operations	—	686
Total liabilities	39,389	45,712
Commitments and contingencies (Note 17)		
Equity		
3M Company shareholders' equity:		
Common stock par value, $.01 par value; 944,033,056 shares issued	9	9
Shares outstanding - June 30, 2024: **549,353,621,** December 31, 2023: 552,581,136		
Additional paid-in capital	7,146	6,956
Retained earnings	35,475	37,479
Treasury stock, at cost:	(33,147)	(32,859)
Shares at June 30, 2024: **394,679,435,** December 31, 2023: 391,451,920		
Accumulated other comprehensive income (loss)	(5,567)	(6,778)
Total 3M Company shareholders' equity	3,916	4,807
Noncontrolling interest	72	61
Total equity	3,988	4,868
Total liabilities and equity	$ 43,377	$ 50,580

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

3M Company and Subsidiaries
Consolidated Statement of Cash Flows[1]
(Unaudited)

(Millions)	Six months ended June 30, 2024	2023
Cash Flows from Operating Activities		
Net income (loss) including noncontrolling interest	**$ 2,084**	$ (5,855)
Adjustments to reconcile net income (loss) including noncontrolling interest to net cash provided by operating activities		
Depreciation and amortization	**731**	915
Company pension and postretirement contributions	**(86)**	(57)
Company pension and postretirement expense	**898**	75
Stock-based compensation expense	**200**	176
Deferred income taxes	**115**	(2,547)
Changes in assets and liabilities		
Accounts receivable	**(219)**	(393)
Inventories	**(270)**	101
Accounts payable	**166**	135
Accrued income taxes (current and long-term)	**(172)**	(409)
Other — net	**(1,659)**	10,643
Net cash provided by (used in) operating activities	**1,788**	2,784
Cash Flows from Investing Activities		
Purchases of property, plant and equipment (PP&E)	**(644)**	(852)
Proceeds from sale of PP&E and other assets	**53**	23
Purchases of marketable securities and investments	**(943)**	(775)
Proceeds from maturities and sale of marketable securities and investments	**707**	945
Other — net	**(29)**	40
Net cash provided by (used in) investing activities	**(856)**	(619)
Cash Flows from Financing Activities		
Change in short-term debt — net	**(205)**	651
Repayment of debt (maturities greater than 90 days)	**(2,653)**	(1,802)
Proceeds from debt (maturities greater than 90 days)	**8,367**	1,107
Purchases of treasury stock	**(421)**	(29)
Proceeds from issuance of treasury stock pursuant to stock option and benefit plans	**30**	218
Dividends paid to shareholders	**(1,221)**	(1,655)
Cash transferred to Solventum related to separation, net	**(577)**	—
Other — net	**(57)**	(9)
Net cash provided by (used in) financing activities	**3,263**	(1,519)
Effect of exchange rate changes on cash and cash equivalents	**(45)**	(43)
Net increase (decrease) in cash and cash equivalents	**4,150**	603
Cash and cash equivalents at beginning of year	**5,933**	3,655
Cash and cash equivalents at end of period	**$ 10,083**	$ 4,258

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

[1] The Consolidated Statements of Cash Flows include the results of continuing and discontinued operations and, therefore, also include cash and cash equivalents associated with Solventum through its April 2024 separation from 3M that were presented in current assets of discontinued operations in the 3M Consolidated Balance Sheet.

3M Company and Subsidiaries
Notes to Consolidated Financial Statements(Unaudited)

NOTE 1. Significant Accounting Policies

Basis of Presentation: The interim consolidated financial statements are unaudited but, in the opinion of management, reflect all adjustments necessary for a fair statement of the Company's consolidated financial position, results of operations and cash flows for the periods presented. These adjustments consist of normal, recurring items. The results of operations for any interim period are not necessarily indicative of results for the full year. The interim consolidated financial statements and notes are presented as permitted by the requirements for Quarterly Reports on Form 10-Q. This Quarterly Report on Form 10-Q should be read in conjunction with the Company's consolidated financial statements and notes included in its Annual Report on Form 10-K.

Certain amounts in prior periods' consolidated financial statements have been reclassified to conform to current period presentation. Information provided herein reflects the impact of these changes for all applicable periods presented.

- As discussed in Note 2, on April 1, 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. As a result of the Separation, Solventum became an independent public company and 3M no longer consolidates Solventum into 3M's financial results. In connection with the Separation, the historical net income of Solventum and applicable assets and liabilities included in the Separation are reported in 3M's consolidated financial statements as discontinued operations.
- 3M made certain changes to the composition of segment information reviewed by 3M's chief operating decision maker (CODM) effective in the second quarter of 2024 largely as a result of the separation of Solventum and changes within its business segments effective in the first quarter of 2024 as further described in Note 19. To the extent these changes impacted 3M's disclosed disaggregated revenue information, data in Note 3 has also been updated.

New Accounting Pronouncements: Refer to Note 1 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K for a discussion of applicable standards issued and not yet adopted by 3M.

Relevant New Standards Issued Subsequent to Most Recent Annual Report

In March 2024, the SEC adopted rules under SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, which require a registrant to disclose information in annual reports and registration statements about climate-related risks that are reasonably likely to have a material impact on its business, results of operations, or financial condition. The information would include disclosure of a registrant's greenhouse gas emissions. In addition, certain disclosures related to severe weather events and other natural conditions will be required in a registrant's audited financial statements. Annual disclosure requirements would be effective for 3M as early as the fiscal year beginning January 1, 2025. However, in April 2024, the SEC voluntarily stayed the final rules pending certain legal challenges. The Company is evaluating the impact of these rules on its disclosures.

NOTE 2. Discontinued Operations

On April 1, 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. The spin-off transaction was intended to be tax-free for U.S. federal income tax purposes. To reflect the completion of the spin, 3M recorded a decrease in shareholders equity for the net book value of applicable assets and liabilities included in the Separation, net of the book value of 3M's retained ownership. As a result of the Separation, Solventum became an independent public company and 3M no longer consolidates Solventum into 3M's financial results. In connection with the Separation, the historical net income of Solventum and applicable assets and liabilities included in the Separation are reported in 3M's consolidated financial statements as discontinued operations. Following the Separation, as 3M no longer controls or has the ability to exert significant influence over Solventum, 3M measures, at fair value on a recurring basis, its retained ownership interest in Solventum common stock (see additional information in Note 7). 3M expects to monetize its stake in Solventum over time.

The Company entered into various agreements to effect the Separation and provide for the relationship between 3M and Solventum, including, among others, a separation and distribution agreement; a tax matters agreement; and transition service, distribution, and contract manufacturing agreements; as well as certain commercial supply agreements. The transition service and distribution agreements have overall terms of two years following the Separation and each may be extended an additional year. The transition contract manufacturing agreement's term is three years with an ability to extend under certain circumstances. Supply agreements, by which each company may provide product to the other, have initial three-year terms, but may extend for particular products up to ten or twelve years following the Separation, under certain circumstances. In addition, the companies had certain amounts due between them as of the Separation date.

3M continuing involvement with Solventum in the form of net sales under supply agreements and income from transition agreements is reflected in amounts disclosed in Note 19 relative to "Corporate and Unallocated" (recorded as net sales and associated costs) and "Other" (recorded as a direct offset to associated costs), respectively. Solventum transition agreement income for the three months ended June 30, 2024 included in "Other" was approximately $30 million (approximately $200 million gross fees, net of assigned costs). Transition services or purchases from Solventum are not material to 3M. Amounts due from Solventum and amounts due to Solventum under the agreements described above were approximately $0.5 billion and $0.2 billion, respectively, as of June 30, 2024.

Information regarding net income (loss) from discontinued operations, net of taxes includes the following:

	Three months ended June 30,		Six months ended June 30,	
Net Income (Loss) from Discontinued Operations, Net of Taxes (millions)	**2024**	**2023**	**2024**	**2023**
Net sales	**$ —**	$ 2,042	**$ 1,987**	$ 4,018
Cost of sales	**—**	878	**844**	1,747
Other operating expenses	**46**	764	**837**	1,496
Other expense (income), net	**—**	(7)	**44**	(11)
Income (loss) from discontinued operations before income taxes	**(46)**	407	**262**	786
Provision for income taxes	**13**	77	**98**	142
Net income (loss) from discontinued operations, net of taxes	**$ (59)**	$ 330	**$ 164**	$ 644

Major classes of assets and liabilities of discontinued operations include the following:

Assets and Liabilities of Discontinued Operations (millions)	**December 31, 2023**
Assets	
Cash and cash equivalents	$ 198
Marketable securities — current	3
Accounts receivable — net	1,149
Inventories	878
Other current assets	151
Current assets of discontinued operations	2,379
Property, plant and equipment — net	1,469
Operating lease right of use assets	102
Goodwill	6,545
Intangible assets — net	2,903
Other assets	324
Non-current assets of discontinued operations	11,343
Liabilities	
Accounts payable	469
Accrued payroll	209
Accrued income taxes	61
Operating lease liabilities — current	33
Other current liabilities	951
Current liabilities of discontinued operations	1,723
Pension and postretirement benefits	315
Operating lease liabilities	70
Other liabilities	301
Non-current liabilities of discontinued operations	686

Cash flows related to discontinued operations have not been segregated, and are included in the Consolidated Statement of Cash Flows for all periods presented. Selected financial information related to cash flows from discontinued operations is below.

	Six months ended June 30,	
Selected Cash Flows from Discontinued Operations (millions)	**2024**	**2023**
Depreciation and amortization	**$ 139**	$ 277
Purchases of property, plant and equipment (PP&E)	**77**	104

NOTE 3. Revenue

Disaggregated Revenue Information: The Company views the following disaggregated disclosures as useful to understanding the composition of revenue recognized during the respective reporting periods:

Net Sales by Division (millions)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Abrasives	**$ 324**	$ 334	**$ 652**	$ 675
Automotive Aftermarket	**304**	305	**610**	617
Electrical Markets	**325**	329	**636**	653
Industrial Adhesives and Tapes	**531**	517	**1,049**	1,033
Industrial Specialties Division	**285**	298	**569**	606
Personal Safety	**857**	849	**1,714**	1,717
Roofing Granules	**133**	133	**261**	243
Total Safety and Industrial Business Segment	**2,759**	2,765	**5,491**	5,544
Advanced Materials	**244**	305	**507**	606
Automotive and Aerospace	**481**	477	**987**	939
Commercial Branding and Transportation	**672**	695	**1,282**	1,310
Electronics	**746**	714	**1,471**	1,386
Total Transportation and Electronics Business Segment	**2,143**	2,191	**4,247**	4,241
Consumer Safety and Well-Being	**280**	278	**546**	548
Home and Auto Care	**302**	337	**607**	655
Home Improvement	**369**	355	**699**	696
Packaging and Expression	**312**	323	**551**	586
Total Consumer Business Segment	**1,263**	1,293	**2,403**	2,485
Corporate and Unallocated	**86**	22	**112**	45
Other	**4**	12	**18**	23
Total Company	**$ 6,255**	$ 6,283	**$ 12,271**	$ 12,338

Net Sales by Geographic Area (millions)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Americas	**$ 3,480**	$ 3,396	**$ 6,630**	$ 6,568
Asia Pacific	**1,721**	1,776	**3,489**	3,590
Europe, Middle East and Africa	**1,054**	1,111	**2,152**	2,180
Worldwide	**$ 6,255**	$ 6,283	**$ 12,271**	$ 12,338

Americas included United States net sales to customers of $2.8 billion and $5.3 billion for the three and six months ended June 30, 2024, respectively, and $2.8 billion and $5.3 billion for the three and six months ended June 30, 2023, respectively. Asia Pacific included China/Hong Kong net sales to customers of $0.7 billion and $1.4 billion for the three and six months ended June 30, 2024, respectively, and $0.6 billion and $1.3 billion for the three and six months ended June 30, 2023, respectively.

NOTE 4. Divestitures

Refer to Note 3 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K for more information on relevant pre-2024 divestitures.

On April 1, 2024, 3M completed the 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. See Note 2 for additional detail, including information regarding reporting the historical net income of Solventum and applicable assets and liabilities included in the Separation in 3M's consolidated financial statements as discontinued operations.

NOTE 5. Goodwill and Intangible Assets

Goodwill: The change in the carrying amount of goodwill by business segment was as follows:

(Millions)	Safety and Industrial	Transportation and Electronics	Consumer	Corporate and Unallocated	Total Company
Balance as of December 31, 2023	$ 4,542	$ 1,512	$ 270	$ 58	$ 6,382
Translation and other	**(42)**	**(10)**	**(12)**	**—**	**(64)**
Balance as of June 30, 2024	**$ 4,500**	**$ 1,502**	**$ 258**	**$ 58**	**$ 6,318**

The amounts in the “Translation and other” row in the above table primarily relate to changes in foreign currency exchange rates.

As of June 30, 2024, the Company's accumulated goodwill impairment loss is $0.3 billion.

Acquired Intangible Assets: The carrying amount and accumulated amortization of acquired finite-lived intangible assets, in addition to the balance of non-amortizable intangible assets follow:

(Millions)	June 30, 2024	December 31, 2023
Customer related	**$ 1,328**	$ 1,337
Patents	**224**	225
Other technology-based	**373**	375
Definite-lived tradenames	**488**	489
Other	**46**	48
Total gross carrying amount	**2,459**	2,474
Accumulated amortization — customer related	**(910)**	(883)
Accumulated amortization — patents	**(223)**	(224)
Accumulated amortization — other technology-based	**(322)**	(317)
Accumulated amortization — definite-lived tradenames	**(288)**	(276)
Accumulated amortization — other	**(30)**	(31)
Total accumulated amortization	**(1,773)**	(1,731)
Total finite-lived intangible assets — net	**686**	743
Indefinite lived intangible assets (primarily tradenames)	**580**	580
Total intangible assets — net	**$ 1,266**	$ 1,323

Certain tradenames acquired by 3M are not amortized because they have been in existence for over 60 years, have a history of leading-market share positions, have been and are intended to be continuously renewed, and the associated products of which are expected to generate cash flows for 3M for an indefinite period of time.

Amortization expense follows:

	Three months ended June 30,		Six months ended June 30,	
(Millions)	2024	2023	2024	2023
Amortization expense	**$ 27**	$ 29	**$ 54**	$ 59

Expected amortization expense for acquired amortizable intangible assets recorded as of June 30, 2024 follows:

(Millions)	Remainder of 2024	2025	2026	2027	2028	2029	After 2029
Amortization expense	$ 52	$ 105	$ 104	$ 85	$ 59	$ 57	$ 224

3M expenses the costs incurred to renew or extend the term of intangible assets.

NOTE 6. Restructuring Actions

2023 to 2025 Structural Reorganization Actions: As described in Note 5 in 3M's 2023 Annual Report on Form 10-K, in the first quarter of 2023, 3M announced it would undertake structural reorganization actions to reduce the size of the corporate center of the Company, simplify supply chain, streamline 3M's geographic footprint, reduce layers of management, further align business go-to-market models to customers, and reduce manufacturing roles to align with production volumes. This aggregate initiative, beginning in the first quarter of 2023 and continuing through 2025, is expected (as updated to exclude discontinued operations) to impact approximately 8,000 positions worldwide with an expected pre-tax charge of $700 million to $800 million over that period. During 2023, management approved and committed to undertake associated actions resulting in a 2023 pre-tax charge of $415 million. During 2024, management approved and committed to undertake additional actions under this initiative impacting approximately 700 positions resulting in a pre-tax charge of $35 million and $138 million in the second quarter and six months ended June 30, 2024, respectively. Since its beginning in 2023 through committed second quarter 2024 actions, this initiative has impacted approximately 6,400 positions worldwide. Remaining activities related to the restructuring actions approved and committed through June 30, 2024 under this initiative are expected to be completed in 2025. 3M expects to commit to further actions under this initiative.

The related restructuring charges for periods presented were recorded in the income (loss) statement as follows:

(Millions)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Cost of sales	**$ 2**	$ 44	**$ 4**	$ 59
Selling, general and administrative expenses	**32**	140	**123**	171
Research, development and related expenses	**1**	18	**11**	22
Total operating income impact	**$ 35**	$ 202	**$ 138**	$ 252

The business segment operating income (loss) impact of these restructuring charges is summarized as follows:

	Three months ended June 30,					
	2024			2023		
(Millions)	Employee Related	Asset-Related and Other	Total	Employee Related	Asset-Related and Other	Total
Safety and Industrial	**$ 13**	**$ 5**	**$ 18**	$ 44	$ —	$ 44
Transportation and Electronics	**7**	**4**	**11**	25	—	25
Consumer	**4**	**2**	**6**	13	—	13
Corporate and unallocated	**—**	**—**	**—**	100	20	120
Total operating expense	**$ 24**	**$ 11**	**$ 35**	$ 182	$ 20	$ 202

	Six months ended June 30,					
	2024			2023		
(Millions)	Employee Related	Asset-Related and Other	Total	Employee Related	Asset-Related and Other	Total
Safety and Industrial	**$ 39**	**$ 25**	**$ 64**	$ 54	$ —	$ 54
Transportation and Electronics	**16**	**18**	**34**	37	—	37
Consumer	**9**	**11**	**20**	16	—	16
Corporate and unallocated	**6**	**14**	**20**	125	20	145
Total operating expense	**$ 70**	**$ 68**	**$ 138**	$ 232	$ 20	$ 252

Restructuring actions, including cash and non-cash impacts, follow:

(Millions)	Employee-Related	Asset-Related and Other	Total
Accrued restructuring action balance as of December 31, 2023	$ 99	$ —	$ 99
Incremental expense incurred in the first quarter of 2024	**46**	**57**	**103**
Incremental expense incurred in the second quarter of 2024	**24**	**11**	**35**
Non-cash changes	**—**	**(68)**	**(68)**
Adjustments	**12**	**—**	**12**
Cash payments	**(92)**	**—**	**(92)**
Accrued restructuring action balance as of June 30, 2024	**$ 89**	**$ —**	**$ 89**

2023 to 2025 PFAS Exit Actions: As described in Note 5 in 3M's 2023 Annual Report on Form 10-K, 3M announced in 2022 that it will exit all PFAS manufacturing by the end of 2025. In 2023, 3M management approved and committed to undertake certain related workforce actions resulting in a pre-tax charge of $64 million primarily impacting cost of sales. During 2024, management approved and committed to undertake additional related workforce actions impacting approximately 60 positions resulting in a pre-tax charge of $8 million and $12 million primarily impacting cost of sales in the second quarter and six months ended June 30, 2024, respectively. These charges are reflected within the Transportation and Electronics business segment. This initiative, beginning in 2023 through committed second quarter 2024 actions, has impacted approximately 610 positions worldwide. The remaining period of activities related to these approved and committed actions aligns with 3M's PFAS exit timeframe.

(Millions)	Employee-Related
Accrued restructuring action balance as of December 31, 2023	$ 60
Incremental expense incurred in the first quarter of 2024	**4**
Incremental expense incurred in the second quarter of 2024	**8**
Adjustments	**(4)**
Cash payments	**(17)**
Accrued restructuring action balance as of June 30, 2024	**$ 51**

NOTE 7. Supplemental Income (Loss) Statement Information

Other expense (income), net consists of the following:

	Three months ended June 30,		Six months ended June 30,	
(Millions)	2024	2023	2024	2023
Interest expense	**$ 322**	$ 144	**$ 663**	$ 267
Interest income	**(143)**	(47)	**(253)**	(88)
Pension and postretirement net periodic benefit cost (benefit)	**796**	(25)	**785**	(51)
Solventum ownership - change in value	**(1,113)**	—	**(1,113)**	—
Total	**$ (138)**	$ 72	**$ 82**	$ 128

Beginning in the second quarter and third quarter of 2023, interest expense also includes imputed interest associated with the obligations resulting from the PWS Settlement and the CAE Settlement, respectively (discussed in Note 17).

Pension and postretirement net periodic benefit income described in the table above include all components of defined benefit plan net periodic benefit cost (benefit) except service cost, which is reported in various operating expense lines. The second quarter of 2024 non-service cost component above was impacted by a $795 million pension settlement charge. Refer to Note 13 for additional details on the components of pension and postretirement net periodic benefit cost (benefit).

Solventum ownership - change in value relates to the change in value of 3M's retained ownership interest in common stock of Solventum Corporation, an independent public company. Solventum separated from 3M in April 2024 (discussed in Note 2). At June 30, 2024, the balance of net unrealized gain on this investment is $1.1 billion.

NOTE 8. Supplemental Equity and Comprehensive Income (Loss) Information

Cash dividends declared and paid totaled $1.51 and $0.70 for the first and second quarters of 2024, respectively, and $1.50 per share for each of the first and second quarters of 2023, or $2.21 and $3.00 per share for the first six months of 2024 and 2023, respectively.

The table below presents the consolidated changes in equity for three and six months ended June 30, 2024 and 2023:

		3M Company Shareholders				
(Millions)	Total	Common Stock and Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest
Balance at March 31, 2024	$ 4,933	$ 6,982	$ 37,472	$ (32,762)	$ (6,826)	$ 67
Net income (loss)	**1,151**		**1,145**			**6**
Other comprehensive income (loss), net of tax	**674**				**675**	**(1)**
Solventum spin-off	**(2,169)**		**(2,753)**		**584**	
Dividends declared	**(386)**		**(386)**			
Stock-based compensation	**173**	**173**				
Reacquired stock	**(400)**			**(400)**		
Issuances pursuant to stock option and benefit plans	**12**		**(3)**	**15**		
Balance at June 30, 2024	**$ 3,988**	**$ 7,155**	**$ 35,475**	**$ (33,147)**	**$ (5,567)**	**$ 72**
Balance at March 31, 2023	$ 15,351	$ 6,825	$ 47,966	$ (32,963)	$ (6,530)	$ 53
Net income	(6,836)		(6,841)			5
Other comprehensive income (loss), net of tax	98				97	1
Dividends declared	(828)		(828)			
Stock-based compensation	42	42				
Issuances pursuant to stock option and benefit plans	30		(7)	37		
Balance at June 30, 2023	$ 7,857	$ 6,867	$ 40,290	$ (32,926)	$ (6,433)	$ 59

		3M Company Shareholders				
(Millions)	Total	Common Stock and Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest
Balance at December 31, 2023	$ 4,868	$ 6,965	$ 37,479	$ (32,859)	$ (6,778)	$ 61
Net income (loss)	**2,084**		**2,073**			**11**
Total other comprehensive income (loss), net of tax	**627**				**627**	—
Solventum spin-off	**(2,169)**		**(2,753)**		**584**	
Dividends declared	**(1,221)**		**(1,221)**			
Stock-based compensation	**190**	**190**				
Reacquired stock	**(421)**			**(421)**		
Issuances pursuant to stock option and benefit plans	**30**		**(103)**	**133**		
Balance at June 30, 2024	**$ 3,988**	**$ 7,155**	**$ 35,475**	**$ (33,147)**	**$ (5,567)**	**$ 72**
Balance at December 31, 2022	$ 14,770	$ 6,700	$ 47,950	$ (33,255)	$ (6,673)	$ 48
Net income	(5,855)		(5,865)			10
Total other comprehensive income (loss), net of tax	241				240	1
Dividends declared	(1,655)		(1,655)			
Stock-based compensation	167	167				
Reacquired stock	(29)			(29)		
Issuances pursuant to stock option and benefit plans	218		(140)	358		
Balance at June 30, 2023	$ 7,857	$ 6,867	$ 40,290	$ (32,926)	$ (6,433)	$ 59

The table below presents the changes in accumulated other comprehensive income (loss) attributable to 3M (AOCI), including the reclassifications out of AOCI by component for three and six months ended June 30, 2024 and 2023:

(Millions)	Cumulative Translation Adjustment	Defined Benefit Pension and Postretirement Plans Adjustment	Cash Flow Hedging Instruments, Unrealized Gain (Loss)	Total Accumulated Other Comprehensive Income (Loss)
Balance at March 31, 2024, net of tax:	$ (2,715)	$ (4,083)	$ (28)	$ (6,826)
Other comprehensive income (loss), before tax:				
Amounts before reclassifications	**(148)**	**218**	**23**	**93**
Amounts reclassified out	**11**	**876**	**(30)**	**857**
Total other comprehensive income (loss), before tax	**(137)**	**1,094**	**(7)**	**950**
Tax effect[2]	**(7)**	**(268)**	**—**	**(275)**
Total other comprehensive income (loss), net of tax	**(144)**	**826**	**(7)**	**675**
Solventum spin-off	**64**	**520**	**—**	**584**
Balance at June 30, 2024, net of tax:	**$ (2,795)**	**$ (2,737)**	**$ (35)**	**$ (5,567)**
Balance at March 31, 2023, net of tax:	$ (2,712)	$ (3,787)	$ (31)	$ (6,530)
Other comprehensive income (loss), before tax:				
Amounts before reclassifications	3	—	72	75
Amounts reclassified out	39	65	(40)	64
Total other comprehensive income (loss), before tax	42	65	32	139
Tax effect[2]	(18)	(15)	(9)	(42)
Total other comprehensive income (loss), net of tax	24	50	23	97
Balance at June 30, 2023, net of tax:	$ (2,688)	$ (3,737)	$ (8)	$ (6,433)

(Millions)	Cumulative Translation Adjustment	Defined Benefit Pension and Postretirement Plans Adjustment	Cash Flow Hedging Instruments, Unrealized Gain (Loss)	Total Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2023, net of tax:	$ (2,506)	$ (4,218)	$ (54)	$ (6,778)
Other comprehensive income (loss), before tax:				
Amounts before reclassifications	**(401)**	**285**	**84**	**(32)**
Amounts reclassified out	**68**	**972**	**(57)**	**983**
Total other comprehensive income (loss), before tax	**(333)**	**1,257**	**27**	**951**
Tax effect[2]	**(20)**	**(296)**	**(8)**	**(324)**
Total other comprehensive income (loss), net of tax	**(353)**	**961**	**19**	**627**
Solventum spin-off	**64**	**520**	**—**	**584**
Balance at June 30, 2024, net of tax:	**$ (2,795)**	**$ (2,737)**	**$ (35)**	**$ (5,567)**
Balance at December 31, 2022, net of tax:	$ (2,828)	$ (3,838)	$ (7)	$ (6,673)
Other comprehensive income (loss), before tax:				
Amounts before reclassifications	108	—	78	186
Amounts reclassified out	39	129	(81)	87
Total other comprehensive income (loss), before tax	147	129	(3)	273
Tax effect[2]	(7)	(28)	2	(33)
Total other comprehensive income (loss), net of tax	140	101	(1)	240
Balance at June 30, 2023, net of tax:	$ (2,688)	$ (3,737)	$ (8)	$ (6,433)

[2] Includes tax expense (benefit) reclassified out of AOCI related to the following:

	Three months ended June 30,		Six months ended June 30,	
(millions)	2024	2023	2024	2023
Cumulative Translation Adjustment	$ —	$ —	$ —	$ —
Defined benefit pension and postretirement plans adjustment	**(216)**	(15)	**(229)**	(28)
Cash flow hedging instruments, unrealized gain/loss	**7**	8	**13**	18

Income taxes are not provided for foreign translation relating to permanent investments in international subsidiaries, but tax effects within cumulative translation do include impacts from items such as net investment hedge transactions. The Company uses the portfolio approach for releasing income tax effects from accumulated other comprehensive income.

Additional details on the amounts reclassified from accumulated other comprehensive income (loss) into consolidated income (loss) include:

- Cumulative translation adjustment: amounts were reclassified into selling, general and administrative expense. In 2024, this was associated with country exits as part of streamlining 3M's geographic footprint (see Note 6).
- Defined benefit pension and postretirement plan adjustments: amounts were reclassified into other (expense) income, net (see Note 13).
- Cash flow hedging instruments, unrealized gain (loss): foreign currency forward/option contacts amounts were reclassified into cost of sales; interest rate contract amounts were reclassified into interest expense (see Note 15).
- The tax effects, if applicable, associated with these reclassifications were reflected in provision for income taxes.

NOTE 9. Income Taxes

The effective tax rate on a continuing operations basis for the second quarter of 2024 was 14.4 percent on pre-tax income compared to 24.0 percent on a pre-tax loss in the prior year. The effective tax rate for the first six months of 2024 was 18.1 percent compared to 24.6 percent in the prior year. The primary factors that impacted the comparison of these rates year-over -year were the second quarter 2023 charge related to the settlement agreement with public water systems in the United States regarding PFAS (see Note 17) and the tax rate associated with second quarter 2024 benefit related to the change in value of the retained ownership interest in Solventum.

The total amounts of unrecognized tax benefits that, if recognized, would affect the effective tax rate as of June 30, 2024 and December 31, 2023 on a continuing operations basis are $691 million and $671 million, respectively. It is reasonably possible that the amount of unrecognized tax benefits could significantly change within the next 12 months. At this time, the Company is not able to estimate the range by which these potential events could impact 3M's unrecognized tax benefits in the next 12 months.

The net deferred tax assets are included as components of Other Assets and Other Liabilities within the Consolidated Balance Sheet. As of June 30, 2024, 3M's net non current deferred tax asset balance was approximately $4.0 billion. This included a balance of approximately $3.2 billion as a result of the 2023 pre-tax charges related to the PWS Settlement and the CAE Settlement (both discussed in Note 17). As of June 30, 2024 and December 31, 2023, on a continuing operations basis, the Company had valuation allowances of $1,474 million and $689 million on its deferred tax assets, respectively. The primary factor that increased the valuation allowance balance as of June 30, 2024 is a valuation allowance related to the difference in basis of the retained ownership interest in Solventum.

In connection with the completion of the separation of Solventum in April 2024, 3M re-evaluated its global cash needs and certain unrepatriated earnings are no longer considered permanently reinvested, which resulted in a charge of approximately $100 million in the second quarter of 2024. The Company has not provided deferred taxes on approximately $1.0 billion of undistributed earnings from non-U.S. subsidiaries as of June 30, 2024 which are indefinitely reinvested in operations. Because of the multiple avenues by which to repatriate the earnings to minimize tax cost, and because a large portion of these earnings are not liquid, it is not practical to determine the income tax liability that would be payable if such earnings were not reinvested indefinitely.

In 2021, the Organization for Economic Cooperation and Development (OECD) published Pillar Two Model Rules defining a global minimum tax, which calls for the taxation of large corporations at a minimum rate of 15%. The OECD has since issued administrative guidance providing transition and safe harbor rules around the implementation of the Pillar Two global minimum tax. Effective January 1, 2024, a number of countries have proposed or enacted legislation to implement core elements of the Pillar Two proposal. Pillar Two did not have a significant impact on 3M's second quarter 2024 results. While 3M is monitoring developments and evaluating the potential impact on future periods, 3M does not expect Pillar Two to have a significant impact on its 2024 financial results.

NOTE 10. Earnings (Loss) Per Share

The difference in the weighted average 3M shares outstanding for calculating basic and diluted earnings per share attributable to 3M common shareholders is the result of the dilution associated with the Company's stock-based compensation plans. Certain awards outstanding under these stock-based compensation plans were not included in the computation of diluted earnings per share attributable to 3M common shareholders because they would have had an anti-dilutive effect of 33.1 million and 32.9 million average options for the three and six months ended June 30, 2024, respectively, and 36.9 million and 36.5 million average options for the three and six months ended June 30, 2023, respectively. In periods of net losses, these anti-dilutive effects include all weighted option shares outstanding and weighted average shares is the same for the calculations of both basic and diluted loss per share. The computations for basic and diluted earnings (loss) per share follow:

(Amounts in millions, except per share amounts)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Numerator:				
Net income (loss) from continuing operations attributable to 3M	**$ 1,204**	$ (7,171)	**$ 1,909**	$ (6,509)
Net income (loss) from discontinued operations, net of taxes	**(59)**	330	**164**	644
Net income (loss) attributable to 3M	**$ 1,145**	$ (6,841)	**$ 2,073**	$ (5,865)
Denominator:				
Denominator for weighted average 3M common shares outstanding – basic	**553.8**	553.9	**554.4**	553.3
Dilution associated with stock-based compensation plans	**1.0**	—	**0.9**	—
Denominator for weighted average 3M common shares outstanding – diluted	**554.8**	553.9	**555.3**	553.3
Earnings (loss) per share attributable to 3M common shareholders:				
Earnings (loss) per share from continuing operations — basic	**$ 2.17**	$ (12.94)	**$ 3.44**	$ (11.76)
Earnings (loss) per share from discontinued operations — basic	**(0.10)**	0.59	**0.30**	1.16
Earnings (loss) per share — basic	**$ 2.07**	$ (12.35)	**$ 3.74**	$ (10.60)
Earnings (loss) per share from continuing operations — diluted	**$ 2.17**	$ (12.94)	**$ 3.44**	$ (11.76)
Earnings (loss) per share from discontinued operations — diluted	**(0.10)**	0.59	**0.29**	1.16
Earnings (loss) per share — diluted	**$ 2.07**	$ (12.35)	**$ 3.73**	$ (10.60)

NOTE 11. Marketable Securities

The Company invests in certificates of deposit/time deposits, commercial paper, and other securities. The following is a summary of amounts recorded on the Consolidated Balance Sheet for marketable securities (current and non-current).

(Millions)	June 30, 2024	December 31, 2023
Asset backed securities	**$ 4**	$ —
Foreign corporate debt	**6**	—
U.S. government securities	**27**	—
Corporate debt securities	**70**	—
Commercial paper	**40**	—
Certificates of deposit/time deposits	**91**	46
U.S. treasury securities	**13**	—
U.S. municipal securities	**4**	4
Current marketable securities	**255**	50
Asset backed securities	**4**	—
Corporate debt securities	**10**	—
U.S. municipal securities	**20**	20
Non-current marketable securities	**34**	20
Total marketable securities	**$ 289**	$ 70

At June 30, 2024 and December 31, 2023, gross unrealized, gross realized, and net realized gains and/or losses (pre-tax) were not material.

The balances at June 30, 2024 for marketable securities by contractual maturity are shown below. Actual maturities may differ from contractual maturities because the issuers of the securities may have the right to prepay obligations without prepayment penalties.

(Millions)		
Due in one year or less	$	255
Due after one year through five years		25
Due after five years through ten years		9
Total marketable securities	$	289

NOTE 12. Long-Term Debt and Short-Term Borrowings

2023 issuances, maturities, and extinguishments of short- and long-term debt are described in Note 13 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K. The Consolidated Statements of Cash Flows include the results of continuing and discontinued operations and, therefore, information regarding similar debt-related activity for 2024 includes that associated with Solventum through its April 2024 Separation.

The Company had no commercial paper outstanding at June 30, 2024, compared to $1.8 billion commercial paper outstanding as of December 31, 2023.

In the first quarter of 2024, Solventum, prior to the Separation discussed in Note 2, issued a total of $8.4 billion in aggregate principal amount of senior unsecured debt and term loans. Also during the first quarter of 2024, Solventum further entered into a revolving credit facility of $2 billion which was undrawn as of March 31, 2024. These Solventum items were guaranteed by 3M until the completion of the Separation on April 1, 2024 and obligations under these notes, loans and facilities became, as transferred obligations, the sole responsibility of Solventum after the Separation.

In February 2024, 3M repaid $1.1 billion aggregate principal amount of medium-term notes that matured.

Future Maturities of Long-term Debt: Maturities of long-term debt in the table below reflect the impact of put provisions associated with certain debt instruments and are net of the unamortized debt issue costs such that total maturities equal the carrying value of long-term debt as of June 30, 2024. The maturities of long-term debt for the periods subsequent to June 30, 2024 are as follows (in millions):

Remainder of 2024	2025	2026	2027	2028	2029	After 2029	Total
$ 53	$ 1,868	$ 1,540	$ 847	$ 818	$ 1,790	$ 6,167	$ 13,083

NOTE 13. Pension and Postretirement Benefit Plans

The service cost component of defined benefit net periodic benefit cost is recorded in cost of sales; selling, general and administrative expenses; and research, development and related expenses. The other components of net periodic benefit cost are reflected in other expense (income), net. Effective April 1, 2024, approximately $2.7 billion of benefit obligations and $2.4 billion of plan assets for certain pension and postretirement benefit plans, were transferred to Solventum, which is treated as a discontinued operation. Components of net periodic benefit cost and other supplemental information for the three and six months ended June 30, 2024 and 2023 follow:

	Three months ended June 30,					
	Qualified and Non-qualified Pension Benefits				Postretirement Benefits	
	United States		International			
(Millions)	2024	2023	2024	2023	2024	2023
Net periodic benefit cost (benefit)						
Operating expense						
Service cost	**$ 29**	$ 43	**$ 14**	$ 20	**$ 5**	$ 6
Non-operating expense						
Interest cost	**141**	165	**49**	54	**21**	23
Expected return on plan assets	**(196)**	(244)	**(80)**	(75)	**(15)**	(19)
Amortization of transition asset	**—**	—	**1**	1	**—**	—
Amortization of prior service benefit	**(4)**	(6)	**—**	—	**(6)**	(8)
Amortization of net actuarial loss	**83**	74	**3**	2	**4**	2
Settlements, curtailments, special termination benefits and other	**795**	—	**—**	—	**—**	—
Total non-operating expense (benefit)	**819**	(11)	**(27)**	(18)	**4**	(2)
Total net periodic benefit cost (benefit)	**848**	32	**(13)**	2	**9**	4
Service cost - continuing operations	**$ 29**	$ 35	**$ 14**	$ 16	**$ 5**	$ 5
Service cost - discontinued operations	**—**	8	**—**	4	**—**	1
Total service cost	**29**	43	**14**	20	**5**	6
Non-operating expense (benefit) - continuing operations	**819**	(7)	**(27)**	(16)	**4**	(2)
Non-operating expense (benefit) - discontinued operations	**—**	(4)	**—**	(2)	**—**	—
Total non-operating expense (benefit)	**819**	(11)	**(27)**	(18)	**4**	(2)
Total net periodic benefit cost (benefit) - continuing operations	**848**	28	**(13)**	—	**9**	3
Total net periodic benefit cost (benefit) - discontinued operations	**—**	4	**—**	2	**—**	1
Total net periodic benefit cost (benefit)	**$ 848**	$ 32	**$ (13)**	$ 2	**$ 9**	$ 4

(Millions)	Six months ended June 30, Qualified and Non-qualified Pension Benefits United States 2024	United States 2023	International 2024	International 2023	Postretirement Benefits 2024	Postretirement Benefits 2023
Net periodic benefit cost (benefit)						
Operating expense						
Service cost	**$ 66**	$ 86	**$ 35**	$ 39	**$ 12**	$ 12
Non-operating expense						
Interest cost	**301**	331	**103**	109	**43**	45
Expected return on plan assets	**(433)**	(488)	**(167)**	(150)	**(34)**	(38)
Amortization of transition asset	**—**	—	**2**	1	**—**	—
Amortization of prior service benefit	**(8)**	(12)	**1**	1	**(12)**	(16)
Amortization of net actuarial loss	**178**	147	**6**	4	**10**	4
Settlements, curtailments, special termination benefits and other	**795**	—	**—**	—	**—**	—
Total non-operating expense (benefit)	**833**	(22)	**(55)**	(35)	**7**	(5)
Total net periodic benefit cost (benefit)	**899**	**64**	**(20)**	**4**	**19**	**7**
Service cost - continuing operations	**$ 59**	$ 70	**$ 30**	$ 31	**$ 11**	$ 10
Service cost - discontinued operations	**7**	16	**5**	8	**1**	2
Total service cost	**66**	**86**	**35**	**39**	**12**	**12**
Non-operating expense (benefit) - continuing operations	**833**	(14)	**(55)**	(33)	**7**	(4)
Non-operating expense (benefit) - discontinued operations	**—**	(8)	**—**	(2)	**—**	(1)
Total non-operating expense (benefit)	**833**	**(22)**	**(55)**	**(35)**	**7**	**(5)**
Total net periodic benefit cost (benefit) - continuing operations	**892**	56	**(25)**	(2)	**18**	6
Total net periodic benefit cost (benefit) - discontinued operations	**7**	8	**5**	6	**1**	1
Total net periodic benefit cost (benefit)	**$ 899**	**$ 64**	**$ (20)**	**$ 4**	**$ 19**	**$ 7**

For the six months ended June 30, 2024 contributions totaling $81 million were made to the Company’s U.S. and international pension plans and $5 million to its postretirement plans, including discontinued operations. Future contributions will depend on market conditions, interest rates and other factors. 3M does not expect the previously disclosed range of $100 million to $200 million of expected 2024 cash contributions to its U.S. and international retirement plans to be materially impacted by the April 1, 2024 separation of Solventum (see Note 2). 3M’s annual measurement date for pension and postretirement assets and liabilities is December 31 each year, which is also the date used for the related annual measurement assumptions.

In the second quarter of 2024, 3M recorded a non-cash pension settlement charge of approximately $795 million reflected in other expense (income), net as a result of transferring approximately $2.5 billion of its U.S. pension payment obligations and related plan assets to an insurance company. The pension risk transfer required remeasurement of the plan prior to the calculation of the settlement charge. The net impact of the pension risk transfer and the remeasurement was a decrease of approximately $220 million in the non-current liability for pensions (and corresponding decrease in accumulated comprehensive loss, before deferred taxes). Assumptions used for this remeasurement included discount rates determined using June 30, 2024 market conditions and calculated using the same methodology as disclosed in Note 14 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K. Using this methodology, the Company determined a discount rate of 5.43% for the U.S. pension plan as of June 30, 2024. The Company also reduced the expected return on assets assumption determined using June 30, 2024 market conditions and calculated using the same methodology as used at the annual measurement as of December 31, 2023. All other assumptions were consistent with the December 31, 2023 disclosures. This remeasurement will impact net periodic benefit cost for the remainder of 2024.

As of March 31, 2024, 3M transferred eligible U.S. Solventum employees and retirees to new U.S. defined benefit pension and postretirement plans with the same benefits of their current plans. The transfer required remeasurement of the plans prior to the calculation of this split. The net impact of the remeasurement was a decrease of approximately $70 million in the non-current liability for pension and postretirement benefits (and corresponding decrease in accumulated comprehensive loss, before deferred taxes). Assumptions used for this remeasurement included discount rates determined using March 31, 2024 market conditions and calculated using the same methodology as disclosed in Note 14 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K. All other assumptions were consistent with the December 31, 2023 disclosures. Using this methodology, the Company determined a discount rate of 5.22% for the U.S. pension plans and 5.19% for the U.S. postretirement benefit plans as of March 31, 2024, which are increases of 0.24 percentage points and 0.25 percentage points, respectively, from the rates used as of December 31, 2023. This remeasurement did not impact consolidated income for the three months ended March 31, 2024, but will impact net periodic benefit cost for the remainder of 2024. As of March 31, 2024, there were several small international pension plans remeasured for purposes of transferring Solventum employees to new pension plans, the impact of which was not material.

NOTE 14. Supplier Finance Program Obligations

Under supplier finance programs, 3M agrees to pay participating banks the stated amount of confirmed invoices from its designated suppliers on the original maturity dates of the invoices, generally within 90 days of the invoice date. 3M or the banks may terminate the agreements with advance notice. Separately, the banks may have arrangements with the suppliers that provide them the option to request early payment from the banks for invoices confirmed by 3M. 3M's outstanding balances of confirmed invoices in the programs as of June 30, 2024 and December 31, 2023 were approximately $320 million and $270 million, respectively. These amounts are included within accounts payable on 3M's consolidated balance sheet.

NOTE 15. Derivatives

The Company uses interest rate swaps and forward and option contracts to manage risks generally associated with foreign exchange rate and interest rate fluctuations. Note 16 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K explains the types of derivatives and financial instruments used by 3M, how and why 3M uses such instruments, and how such instruments are accounted for. It also contains information regarding previously initiated contracts or instruments.

Additional information with respect to derivatives is included elsewhere as follows:

- Impact on other comprehensive income of nonderivative hedging and derivative instruments is included in Note 7.
- Fair value of derivative instruments is included in Note 16.
- Derivatives and/or hedging instruments associated with the Company's long-term debt are described in Note 13 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K.

Refer to the section below titled *Statement of Income (Loss) Location and Impact of Cash Flow and Fair Value Derivative Instruments and Derivatives Not Designated as Hedging Instruments* for details on the location within the consolidated statements of income (loss) for amounts of gains and losses related to derivative instruments designated as cash flow or fair value hedges (along with similar information relative to the hedged items) and derivatives not designated as hedging instruments. Additional information relative to cash flow hedges, fair value hedges, net investment hedges and derivatives not designated as hedging instruments is included below as applicable.

Cash Flow Hedges: As of June 30, 2024, the Company had a balance of $35 million associated with the after-tax net unrealized loss associated with cash flow hedging instruments recorded in accumulated other comprehensive income (loss). This includes a remaining balance of $83 million (after-tax loss) related to forward starting interest rate swap and treasury rate lock contracts terminated in 2019 concurrent with associated debt issuances, which is being amortized over the respective lives of the underlying notes. Based on exchange rates as of June 30, 2024 of the total after-tax net unrealized balance as of June 30, 2024, 3M expects to reclassify approximately $38 million after-tax net unrealized gain over the next 12 months (with the impact offset by earnings/losses from underlying hedged items).

The amount of pretax gain (loss) recognized in other comprehensive income (loss) related to derivative instruments designated as cash flow hedges is provided in the following table.

	Pretax Gain (Loss) Recognized in Other Comprehensive Income (Loss) on Derivative			
	Three months ended June 30,		Six months ended June 30,	
(Millions)	2024	2023	2024	2023
Foreign currency forward/option contracts	**$ 23**	$ 72	**$ 84**	$ 78

Fair Value Hedges: The following amounts were recorded on the consolidated balance sheet related to cumulative basis adjustments for active fair value hedges, as well as remaining amounts for discontinued fair value hedges:

Location on the Consolidated Balance Sheet (Millions)	Carrying Value of the Hedged Liabilities		Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Value of the Hedged Liabilities	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Long-term debt	$ 909	$ 918	$ (93)	$ (84)

Net Investment Hedges: At June 30, 2024, the total notional amount of foreign exchange forward contracts designated in net investment hedges was approximately 150 million euros, along with a principal amount of long-term debt instruments designated in net investment hedges totaling 1.8 billion euros. The maturity dates of these derivative and nonderivative instruments designated in net investment hedges range from 2024 to 2031.

The amount of gain (loss) excluded from effectiveness testing recognized in income relative to instruments designated in net investment hedge relationships is not material. The amount of pre-tax gain (loss) recognized in other comprehensive income (loss) related to derivative and nonderivative instruments designated as net investment hedges are as follows.

	Pretax Gain (Loss) Recognized as Cumulative Translation within Other Comprehensive Income (Loss)			
	Three months ended June 30,		Six months ended June 30,	
(Millions)	2024	2023	2024	2023
Foreign currency denominated debt	$ 13	$ (22)	$ 56	$ (65)
Foreign currency forward contracts	2	(1)	5	(3)
Total	$ 15	$ (23)	$ 61	$ (68)

Derivatives Not Designated as Hedging Instruments: Derivatives not designated as hedging instruments include de-designated foreign currency forward and option contracts that formerly were designated in cash flow hedging relationships (as referenced in the *Cash Flow Hedges* section above). In addition, 3M enters into foreign currency contracts that are not designated in hedging relationships to offset, in part, the impacts of changes in value of various non-functional currency denominated items including certain intercompany financing balances. These derivative instruments are not designated in hedging relationships; therefore, fair value gains and losses on these contracts are recorded in earnings. The Company does not hold or issue derivative financial instruments for trading purposes.

Statement of Income (Loss) Location and Impact of Cash Flow and Fair Value Derivative Instruments and Derivatives Not Designated as Hedging Instruments:

	Three months ended June 30,				Six months ended June 30,			
	Cost of sales		Other expense (income), net		Cost of sales		Other expense (income), net	
(Millions)	2024	2023	2024	2023	2024	2023	2024	2023
Total consolidated financial statement line item amount	$ 3,571	$ 3,728	$ (138)	$ 72	$ 7,056	$ 7,472	$ 82	$ 128
Pre-tax amounts recognized in income related to derivative instruments								
Information regarding cash flow and fair value hedging relationships:								
(Gain) or loss on cash flow hedging relationships:								
Foreign currency forward/option contracts:								
Amount of (gain) or loss reclassified from accumulated other comprehensive income (loss) into income*	(32)	(42)	—	—	(61)	(85)	—	—
Interest rate contracts:								
Amount of (gain) or loss reclassified from accumulated other comprehensive income (loss) into income	—	—	2	2	—	—	4	4
(Gain) or loss on fair value hedging relationships:								
Interest rate contracts:								
Hedged items	—	—	2	(9)	—	—	(9)	3
Derivatives designated as hedging instruments	—	—	(2)	9	—	—	9	(3)
Information regarding derivatives not designated as hedging instruments:								
(Gain) or loss on derivatives not designated as instruments:								
Foreign currency forward/option contracts	2	13	4	(39)	7	5	6	(13)

*For periods prior to the April 1, 2024 separation of Solventum, these include certain insignificant amounts attributable to discontinued operations.

Location, Fair Value, and Gross Notional Amounts of Derivative Instruments: The following tables summarize the fair value of 3M's derivative instruments, excluding nonderivative instruments used as hedging instruments, and their location in the consolidated balance sheet. Notional amounts below are presented at period end foreign exchange rates, except for certain interest rate swaps, which are presented using the inception date's foreign exchange rate.

			Assets			Liabilities		
	Gross Notional Amount			Fair Value Amount			Fair Value Amount	
(Millions)	June 30, 2024	December 31, 2023	Location	June 30, 2024	December 31, 2023	Location	June 30, 2024	December 31, 2023
Derivatives designated as hedging instruments								
Foreign currency forward/option contracts	**$ 1,821**	$ 2,109	Other current assets	**$ 74**	$ 68	Other current liabilities	**$ 5**	$ 27
Foreign currency forward/option contracts	**725**	342	Other assets	**12**	11	Other liabilities	**5**	5
Interest rate contracts	**800**	800	Other assets	**—**	—	Other liabilities	**96**	88
Total derivatives designated as hedging instruments				**86**	79		**106**	120
Derivatives not designated as hedging instruments								
Foreign currency forward/option contracts	**659**	1,023	Other current assets	**—**	5	Other current liabilities	**1**	7
Total derivatives not designated as hedging instruments				**—**	5		**1**	7
Total derivative instruments				**$ 86**	$ 84		**$ 107**	$ 127

Credit Risk and Offsetting of Assets and Liabilities of Derivative Instruments: The Company is exposed to credit loss in the event of nonperformance by counterparties in interest rate swaps, currency swaps, and forward and option contracts. However, the Company's risk is limited to the fair value of the instruments. The Company actively monitors its exposure to credit risk through the use of credit approvals and credit limits, and by selecting major international banks and financial institutions as counterparties. 3M enters into master netting arrangements with counterparties when possible to mitigate credit risk in derivative transactions. A master netting arrangement may allow each counterparty to net settle amounts owed between a 3M entity and the counterparty as a result of multiple, separate derivative transactions. The Company does not anticipate nonperformance by any of these counterparties.

3M has elected to present the fair value of derivative assets and liabilities within the Company's consolidated balance sheet on a gross basis even when derivative transactions are subject to master netting arrangements and may otherwise qualify for net presentation. 3M determined that the impact of the amount of eligible offsetting derivative assets and liabilities was not material if it had elected to offset the asset and liability balances of derivative instruments, netted in accordance with various criteria in the event of default or termination as stipulated by the terms of netting arrangements with each of the counterparties. For each counterparty, if netted, the Company would offset the asset and liability balances of all derivatives at the end of the reporting period based on the 3M entity that is a party to the transactions. Derivatives not subject to master netting agreements are not eligible for net presentation. For the periods presented, 3M has not received cash collateral from derivative counterparties.

Currency Effects: 3M estimates that year-on-year foreign currency transaction effects, including hedging impacts, increased pre-tax income from continuing operations by approximately $2 million and decreased pre-tax income from continuing operations by approximately $19 million for the three and six months ended June 30, 2024, respectively, and decreased pre-tax loss from continuing operations by approximately $32 million and $62 million for the three and six months ended June 30, 2023, respectively. These estimates include transaction gains and losses, including derivative instruments designed to reduce foreign currency exchange rate risks.

NOTE 16. Fair Value Measurements

3M follows ASC 820, Fair Value Measurements and Disclosures, with respect to assets and liabilities that are measured at fair value on a recurring basis and nonrecurring basis. Refer to Note 17 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K for a qualitative discussion of the assets and liabilities that are measured at fair value on a recurring and nonrecurring basis, a description of the valuation methodologies used by 3M, and categorization within the valuation framework of ASC 820.

The following table provide information by level for material assets and liabilities that are measured at fair value on a recurring basis at June 30, 2024 and December 31, 2023.

			Fair Value Measurements Using Inputs Considered as					
	Fair Value at		Level 1		Level 2		Level 3	
Description (Millions)	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Assets:								
Available-for-sale:								
Marketable securities:								
Asset backed securities	**$ 8**	$ —	**$ —**	$ —	**$ 8**	$ —	**$ —**	$ —
Foreign corporate debt	**6**	—	**—**	—	**6**	—	**—**	—
U.S. government securities	**27**	—	**27**	—	**—**	—	**—**	—
Corporate debt securities	**80**	—	**—**	—	**80**	—	**—**	—
Commercial paper	**40**	—	**—**	—	**40**	—	**—**	—
Certificates of deposit/time deposits	**91**	46	**—**	—	**91**	46	**—**	—
U.S. treasury securities	**13**	—	**13**	—	**—**	—	**—**	—
U.S. municipal securities	**24**	24	**—**	—	**—**	—	**24**	24
Solventum common stock	**1,817**	—	**1,817**	—	**—**	—	**—**	—
Derivative instruments — assets:								
Foreign currency forward/option contracts	**86**	84	**—**	—	**86**	84	**—**	—
Liabilities:								
Derivative instruments — liabilities:								
Foreign currency forward/option contracts	**11**	39	**—**	—	**11**	39	**—**	—
Interest rate contracts	**96**	88	**—**	—	**96**	88	**—**	—

The Company had no material activity with level 3 assets and liabilities during the periods presented.

Solventum Corporation common stock is carried at stock prices that are readily available from active markets and are representative of fair value. 3M classifies this investment as Level 1. It is included within other assets on the Company’s consolidated balance sheet.

In addition, the plan assets of 3M’s pension and postretirement benefit plans are measured at fair value on a recurring basis (at least annually). Refer to Note 14 to the Consolidated Financial Statements in 3M's 2023 Annual Report on Form 10-K.

Assets and Liabilities that are Measured at Fair Value on a Nonrecurring Basis: 3M had no material measurements at fair value on a nonrecurring basis of applicable assets or liabilities for the second quarter and first six months of 2024 and 2023.

Fair Value of Financial Instruments*:* The Company’s financial instruments include cash and cash equivalents, marketable securities, accounts receivable, certain investments, accounts payable, borrowings, and derivative contracts. The fair values of cash equivalents, accounts receivable, accounts payable, and short-term borrowings and current portion of long-term debt approximated carrying values because of the short-term nature of these instruments. Available-for-sale marketable securities, in addition to certain investments and derivative instruments, are recorded at fair values as indicated in the preceding disclosures. To estimate fair values (classified as level 2) for its long-term debt, the Company utilized third-party quotes, which are derived all or in part from model prices, external sources, market prices, or the third-party’s internal records. Information with respect to the carrying amounts and estimated fair values of these financial instruments follow:

	June 30, 2024		December 31, 2023	
(Millions)	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt, excluding current portion	**$ 11,781**	**$ 10,374**	$ 13,088	$ 11,859

The fair values reflected in the sections above consider the terms of the related debt absent the impacts of derivative/hedging activity. The carrying amount of long-term debt referenced above is impacted by certain fixed-to-floating interest rate swaps that are designated as fair value hedges and by the designation of certain fixed rate Eurobond securities issued by the Company as hedging instruments of the Company's net investment in its European subsidiaries.

NOTE 17. Commitments and Contingencies

Legal Proceedings: The Company and some of its subsidiaries are involved in numerous claims and lawsuits, principally in the United States, and regulatory proceedings worldwide. These claims, lawsuits and proceedings relate to matters including, but not limited to, products liability (involving products that the Company now or formerly manufactured and sold), intellectual property, commercial, antitrust, federal healthcare program related laws and regulations, such as the False Claims Act and anti-kickback laws, securities, and environmental laws in the United States and other jurisdictions. Unless otherwise stated, the Company is vigorously defending all such litigation and proceedings. From time to time, the Company also receives subpoenas, investigative demands or requests for information from various government agencies in the United States and foreign countries. The Company generally responds in a cooperative, thorough and timely manner. These responses sometimes require time and effort and can result in considerable costs being incurred by the Company. Such requests can also lead to the assertion of claims or the commencement of administrative, civil, or criminal legal proceedings against the Company and others, as well as to settlements. The outcomes of legal proceedings and regulatory matters are often difficult to predict. Any determination that the Company's operations or activities are not, or were not, in compliance with applicable laws or regulations could result in the imposition of fines, civil or criminal penalties, and equitable remedies, including disgorgement, suspension or debarment or injunctive relief.

Process for Disclosure and Recording of Liabilities Related to Legal Proceedings: Many lawsuits and claims involve highly complex issues relating to causation, scientific evidence, and alleged actual damages, all of which are otherwise subject to substantial uncertainties. Assessments of lawsuits and claims can involve a series of complex judgments about future events and can rely heavily on estimates and assumptions. The categories of legal proceedings in which the Company is involved may include multiple lawsuits and claims, may be spread across multiple jurisdictions and courts which may handle the lawsuits and claims differently, may involve numerous and different types of plaintiffs, raising claims and legal theories based on specific allegations that may not apply to other matters, and may seek substantial compensatory and, in some cases, punitive, damages. These and other factors contribute to the complexity of these lawsuits and claims and make it difficult for the Company to predict outcomes and make reasonable estimates of any resulting losses. The Company's ability to predict outcomes and make reasonable estimates of potential losses is further influenced by the fact that a resolution of one or more matters within a category of legal proceedings may impact the resolution of other matters in that category in terms of timing, amount of liability, or both.

When making determinations about recording liabilities related to legal proceedings, the Company complies with the requirements of ASC 450, Contingencies, and related guidance, and records liabilities in those instances where it can reasonably estimate the amount of the loss and when the loss is probable. Where the reasonable estimate of the probable loss is a range, the Company records as an accrual in its financial statements the most likely estimate of the loss, or the low end of the range if there is no one best estimate. The Company either discloses the amount of a possible loss or range of loss in excess of established accruals if estimable, or states that such an estimate cannot be made. The Company discloses significant legal proceedings even where liability is not probable or the amount of the liability is not estimable, or both, if the Company believes there is at least a reasonable possibility that a loss may be incurred. Based on experience and developments, the Company reexamines its estimates of probable liabilities and associated expenses and receivables each period, and whether a loss previously determined to not be reasonably estimable and/or not probable is now able to be reasonably estimated or has become probable. Where appropriate, the Company makes additions to or adjustments of its reasonably estimated losses and/or accruals. As a result, the current accruals and/or estimates of loss and the estimates of the potential impact on the Company's consolidated financial position, results of operations and cash flows for the legal proceedings and claims pending against the Company will likely change over time.

Because litigation is subject to inherent uncertainties, and unfavorable rulings or developments could occur, the Company may ultimately incur charges substantially in excess of presently recorded liabilities, including with respect to matters for which no accruals are currently recorded because losses are not currently probable and reasonably estimable. Many of the matters described herein are at varying stages, seek an indeterminate amount of damages or seek damages in amounts that the Company believes are not indicative of the ultimate losses that may be incurred. It is not uncommon for claims to be resolved over many years. As a matter progresses, the Company may receive information, through plaintiff demands, through discovery, in the form of reports of purported experts, or in the context of settlement or mediation discussions that purport to quantify an amount of alleged damages, but with which the Company may not agree. Such information may or may not lead the Company to determine that it is able to make a reasonable estimate as to a probable loss or range of loss in connection with a matter. However, even when a loss or range of loss is not probable and reasonably estimable, developments in, or the ultimate resolution of, a matter could be material to the Company and could have a material adverse effect on the Company, its consolidated financial position, results of operations and cash flows. In addition, future adverse rulings or developments, or settlements in, one or more matters could result in future changes to determinations of probable and reasonably estimable losses in other matters.

Process for Disclosure and Recording of Insurance Receivables Related to Legal Proceedings: The Company estimates insurance receivables based on an analysis of the terms of its numerous policies, including their exclusions, pertinent case law interpreting comparable policies, its experience with similar claims, and assessment of the nature of the claim and remaining coverage, and records an amount it has concluded is recognizable and expects to receive in light of the loss recovery and/or gain contingency models under ASC 450, ASC 610-30, and related guidance. For those insured legal proceedings where the Company has recorded an accrued liability in its financial statements, the Company also records receivables for the amount of insurance that it concludes as recognizable from the Company’s insurance program. For those insured matters where the Company has not recorded an accrued liability because the liability is not probable or the amount of the liability is not estimable, or both, but where the Company has incurred an expense in defending itself, the Company records receivables for the amount of insurance that it concludes as recognizable for the expense incurred.

Impact of Solventum Spin-Off: On April 1, 2024, the Company completed the planned spin-off of its Health Care business, known as Solventum, as an independent company. Concurrent with the spin-off, the Company and Solventum entered into various agreements, including transition agreements and a separation and distribution agreement that, among other things, identified the assets to be transferred, the liabilities to be assumed, indemnification and defense obligations, and the contracts to be transferred to Solventum and 3M as part of the spin-off. In general, and except as noted below and as set forth in the separation and distribution agreement, certain liabilities related to Solventum or the assets that are transferred to Solventum in connection with the spin-off will be retained by or transferred to Solventum. For example, potential liabilities associated with the matters previously described under the *Bair Hugger* and *Federal False Claims Act / Qui Tam Litigation* sections of this Note 17 have been assumed by Solventum pursuant to the separation and distribution agreement, and Solventum will indemnify and defend the Company in these actions.

The separation and distribution agreement governs the allocation of liabilities related to PFAS (as defined below) between the Company and Solventum, which liabilities will not be subject to the general allocation principles otherwise set forth in the separation and distribution agreement. The Company will retain all PFAS-related liabilities resulting from the business, operations, and activities of (x) the Company's business (as defined in the separation and distribution agreement) and (y) Solventum's business (as defined in the separation and distribution agreement) prior to April 1, 2024. Solventum will retain liability for all PFAS-related liabilities resulting from the business, operations, and activities of its business at or after April 1, 2024, other than liabilities from product claims alleging harm from the presence of PFAS in certain products of Solventum's business sold at or after April 1, 2024, and prior to January 1, 2026 (subject to exceptions described in further detail below). The Company will retain liabilities related to site-based PFAS contamination at any real property owned, leased or operated by the Company and liabilities for site-based PFAS contamination arising from third-party claims at sites allocated to the Solventum group in the separation to the extent such liabilities relate to PFAS contamination existing at or prior to April 1, 2024. Solventum assumes PFAS liabilities from the Solventum sites to the extent resulting from an action taken by any member of the Solventum group following April 1, 2024 or from any failure by Solventum following April 1, 2024, to use commercially reasonable efforts that are consistent with then-current industry standards to avoid contamination. The Company will also retain PFAS liabilities for product claims (x) arising from the Company's products, (y) arising from Solventum's products sold prior to April 1, 2024, and (z) arising from certain products sold by Solventum at or after April 1, 2024, and prior to January 1, 2026 (subject to the exceptions described below). Clause (z) in the immediately preceding sentence will not extend to PFAS liabilities for product claims resulting from (i) new products introduced by Solventum following April 1, 2024, that contain or are enabled by PFAS that is not supplied by the Company, (ii) products that are modified by Solventum after April 1, 2024, to add, contain or become enabled by PFAS that is not supplied by the Company, or with respect to which any modification made after April 1, 2024, in the formulation or production of the product that changes the amount or type of PFAS contained in the product or the amount or type of PFAS enabling the product, in each case from and after the date of such modification, (iii) PFAS that is added to a Solventum product after it is sold by Solventum and (iv) PFAS that has accumulated in or on a Solventum product as a result of the use of the product (whether or not the product is being used as directed), including through filtration, purification or similar application. Solventum will be responsible for the maintenance of certain PFAS containment measures at its properties after the effective time of the distribution. In addition, and consistent with the allocation described above, the Company will retain specifically identified PFAS-related liabilities, including those resulting from specified PFAS-related litigation matters and liabilities under the Company's settlement agreement with public water systems in the United States, as described below.

The following sections first describe the significant legal proceedings in which the Company is involved, and then describe the liabilities and associated insurance receivables the Company has accrued relating to its significant legal proceedings.

Respirator Mask/Asbestos Litigation: As of June 30, 2024, the Company is a named defendant, with multiple co-defendants, in numerous lawsuits in various courts that purport to represent approximately 4,106 individual claimants, compared to approximately 4,060 individual claimants with actions pending March 31, 2024.

The vast majority of the lawsuits and claims resolved by and currently pending against the Company allege use of some of the Company's mask and respirator products and seek damages from the Company and other defendants for alleged personal injury from workplace exposures to asbestos, silica, coal mine dust or other occupational dusts found in products manufactured by other defendants or generally in the workplace. A minority of the lawsuits and claims resolved by and currently pending against the Company generally allege personal injury from occupational exposure to asbestos from products previously manufactured by the Company, which are often unspecified, as well as products manufactured by other defendants, or occasionally at Company premises.

The Company's current volume of new and pending matters is substantially lower than it experienced at the peak of filings in 2003. The Company expects that the filing of claims in the future will continue to be at much lower levels than in the past. Accordingly, the number of claims alleging more serious injuries, including mesothelioma, other malignancies, and black lung disease, will represent a greater percentage of total claims than in the past. Over the past twenty plus years, the Company has prevailed in seventeen of the eighteen cases tried to a jury (including the lawsuits described below). In 2018, 3M received a jury verdict in its favor in two lawsuits – one in California state court in February and the other in Massachusetts state court in December – both involving allegations that 3M respirators were defective and failed to protect the plaintiffs against asbestos fibers. In April 2018, a jury in state court in Kentucky found 3M's 8710 respirators failed to protect two coal miners from coal mine dust and awarded compensatory damages of approximately $2 million and punitive damages totaling $63 million. In August 2018, the trial court entered judgment and the Company appealed. In 2019, the Company settled a substantial majority of the then-pending coal mine dust lawsuits in Kentucky and West Virginia for $340 million, including the jury verdict in April 2018 in the Kentucky case mentioned above, and the appeal was dismissed. In October 2020, 3M defended a respirator case before a jury in King County, Washington, involving a former shipyard worker who alleged 3M's 8710 respirator was defective and that 3M acted negligently in failing to protect him against asbestos fibers. The jury delivered a complete defense verdict in favor of 3M, concluding that the 8710 respirator was not defective in design or warnings and any conduct by 3M was not a cause of plaintiff's mesothelioma. The plaintiff appealed the verdict. In May 2022, the First Division intermediate appellate court in Washington affirmed in part and reversed in part 3M's trial victory, concluding that the trial court misapplied Washington law in instructing the jury about factual causation. The Washington Supreme Court declined to review the matter. More recently, in November 2023, a jury in Hawaii delivered a complete defense verdict in favor of 3M, concluding that 3M's 8710 respirator was not a cause of plaintiff's mesothelioma. In addition, in February 2024, a jury in Kentucky delivered a complete defense verdict in favor of 3M, concluding that 3M's 8710 and 8210 respirators that the plaintiff claims to have used were not defective. In April 2024, another jury in Kentucky returned a complete defense verdict in 3M's favor and concluded that 3M's 8710 respirator that the plaintiff claims to have used was not defective.

The Company has demonstrated in these past trial proceedings that its respiratory protection products are effective as claimed when used in the intended manner and in the intended circumstances. Consequently, the Company believes that claimants are unable to establish that their medical conditions, even if significant, are attributable to the Company's respiratory protection products. Nonetheless, the Company's litigation experience indicates that claims of persons alleging more serious injuries, including mesothelioma, other malignancies, and black lung disease, are costlier to resolve than the claims of unimpaired persons, and it therefore believes the average cost of resolving pending and future claims on a per-claim basis will continue to be higher than it experienced in prior periods when the vast majority of claims were asserted by medically unimpaired claimants. In the second half of 2020 and into 2021, the Company experienced an increase in the number of cases filed that allege injuries from exposures to coal mine dust, but the rate of coal mine dust-related case filings decelerated in 2022 and continues to stay significantly lower than in 2021. 3M moved two cases involving over 400 plaintiffs to federal court based on, among others, the Class Action Fairness Act. The federal district court remanded the cases to state court. In March 2023, the Sixth Circuit Court of Appeals granted 3M's petition to review the remand order, and in April 2023 reversed the district court's remand order; accordingly, those cases will remain in federal court.

As previously reported, the State of West Virginia, through its Attorney General, filed a complaint in 2003 against the Company and two other manufacturers of respiratory protection products in the Circuit Court of Lincoln County, West Virginia, and amended its complaint in 2005. The amended complaint seeks substantial, but unspecified, compensatory damages primarily for reimbursement of the costs allegedly incurred by the State for worker's compensation and healthcare benefits provided to all workers with occupational pneumoconiosis and unspecified punitive damages. In October 2019, the court granted the State's motion to sever its unfair trade practices claim, which seeks civil penalties of up to $5,000 per violation under the state's Consumer Credit Protection Act relating to statements that the State contends were misleading about 3M's respirators. In April 2024, the court set a trial date for the unfair trade practices claims in December 2024. An expert witness retained by the State has estimated that 3M sold over five million respirators into the state during the relevant time period, and the State alleges that each respirator sold constitutes a separate violation under the Act. 3M disputes the expert's estimates and the State's position regarding what constitutes a separate violation of the Act. 3M has asserted various additional defenses, including that the Company's marketing did not violate the Act at any time, and that the State's claims are barred under the applicable statute of limitations. No liability has been recorded for any portion of this matter because the Company believes that liability is not probable and reasonably estimable at this time. In addition, the Company is not able to estimate a possible loss or range of loss given the lack of any meaningful discovery responses by the State of West Virginia as to key issues, and the assertions of claims against two other manufacturers where a defendant's share of liability may turn on the law of joint and several liability and by the amount of fault, if any, a factfinder may allocate to each defendant if the case were ultimately tried.

Respirator Mask/Asbestos Liabilities and Insurance Receivables

The Company regularly conducts a comprehensive legal review of its respirator mask/asbestos liabilities. The Company reviews recent and historical claims data, including without limitation, (i) the number of pending claims filed against the Company, (ii) the nature and mix of those claims (i.e., the proportion of claims asserting usage of the Company’s mask or respirator products and alleging exposure to each of asbestos, silica, coal or other occupational dusts, and claims pleading use of asbestos-containing products allegedly manufactured by the Company), (iii) the costs to defend and resolve pending claims, and (iv) trends in filing rates and in costs to defend and resolve claims (collectively, the “Claims Data”). As part of its comprehensive legal review, the Company regularly provides the Claims Data to a third party with expertise in determining the impact of Claims Data on future filing trends and costs. The third party assists the Company in estimating the costs to defend and resolve pending and future claims. The Company uses this analysis to develop its estimate of probable liability.

Developments may occur that could affect the Company’s estimate of its liabilities. These developments include, but are not limited to, significant changes in (i) the key assumptions underlying the Company’s accrual, including the number of future claims, the nature and mix of those claims, and the average cost of defending and resolving claims and in maintaining trial readiness (ii) trial and appellate outcomes, (iii) the law and procedure applicable to these claims, and (iv) the financial viability of other co-defendants and insurers.

As a result of its review of its respirator mask/asbestos liabilities, of pending and expected lawsuits and of the cost of resolving claims of persons who claim more serious injuries, including mesothelioma, other malignancies, and black lung disease, the Company increased its accruals in the first six months of 2024 for respirator mask/asbestos liabilities by $19 million. In the first six months of 2024, the Company made payments for legal defense costs and settlements of $41 million related to the respirator mask/asbestos litigation. As of June 30, 2024, the Company had an accrual for respirator mask/asbestos liabilities (excluding Aearo accruals) of $552 million. This accrual represents the Company’s estimate of probable loss and reflects an estimation period for future claims that may be filed against the Company approaching the year 2050. The Company cannot estimate the amount or upper end of the range of amounts by which the liability may exceed the accrual the Company has established because of (i) the inherent difficulty in projecting the number of claims that have not yet been asserted or the time period in which future claims may be asserted, (ii) the fact that complaints nearly always assert claims against multiple defendants where the damages alleged are typically not attributed to individual defendants so that a defendant’s share of liability may turn on the law of joint and several liability, which can vary by state, (iii) the multiple factors described above that the Company considers in estimating its liabilities, and (iv) the several possible developments described above that may occur that could affect the Company’s estimate of liabilities.

As of June 30, 2024, the Company had an immaterial receivable for insurance recoveries related to the respirator mask/asbestos litigation. In addition, the Company continues to seek coverage under the policies of certain insolvent and other insurers. Once those claims for coverage are resolved, the Company will have collected substantially all of its remaining insurance coverage for respirator mask/asbestos claims.

Respirator Mask/Asbestos Litigation — Aearo Technologies: On April 1, 2008, a subsidiary of the Company acquired the stock of Aearo Holding Corp., the parent of Aearo Technologies (“Aearo”). Aearo manufactured and sold various products, including personal protection equipment, such as eye, ear, head, face, fall and certain respiratory protection products. Aearo and/or other companies that previously owned and operated Aearo’s respirator business (American Optical Corporation, Warner-Lambert LLC, AO Corp. and Cabot Corporation (“Cabot”)) are named defendants, with multiple co-defendants, including the Company, in numerous lawsuits in various courts in which plaintiffs allege use of mask and respirator products and seek damages from Aearo and other defendants for alleged personal injury from workplace exposures to asbestos, silica-related, coal mine dust, or other occupational dusts found in products manufactured by other defendants or generally in the workplace. In July 2022, Aearo Technologies and certain of its related entities (collectively, the "Aearo Entities") voluntarily initiated chapter 11 proceedings under the U.S. Bankruptcy Code seeking court supervision to establish a trust, funded by the Company, to efficiently and equitably satisfy all claims determined to be entitled to compensation (including the Aearo respirator mask/asbestos matters). The U.S. Bankruptcy Court had stayed the Aearo respirator mask/asbestos litigation matters during the chapter 11 proceedings. During the voluntary chapter 11 proceedings, 3M's accrual relating to the commitments associated with funding that trust included Aearo respirator mask/asbestos matters. With the June 2023 dismissal of the Aearo bankruptcy that is described in the *Product Liability Litigation* section below, the stay of respirator mask/asbestos litigation is no longer in effect. For additional information, see the discussion within the section *Product Liability Litigation* with respect to Aearo Technologies Dual-Ended Combat Arms Earplugs.

As of June 30, 2024, the Company, through its Aearo subsidiary, had accruals of $53 million for product liabilities and defense costs related to current and future Aearo-related asbestos, silica-related and coal mine dust claims. Responsibility for legal costs, as well as for settlements and judgments, is shared in an informal arrangement among Aearo, Cabot, American Optical Corporation and a subsidiary of Warner Lambert and their respective insurers (the “Payor Group”). Liability is allocated among the parties based on the number of years each company sold respiratory products under the “AO Safety” brand and/or owned the AO Safety Division of American Optical Corporation and the alleged years of exposure of the individual plaintiff. Aearo’s share of the contingent liability is further limited by an agreement entered into between Aearo and Cabot on July 11, 1995. This agreement provides that, so long as Aearo pays to Cabot a quarterly fee of $100,000, Cabot will retain responsibility and liability for, and indemnify Aearo against, any product liability claims involving exposure to asbestos, silica, or silica products for respirators sold prior to July 11, 1995. Because of the difficulty in determining how long a particular respirator remains in the stream of commerce after being sold, Aearo and Cabot have applied the agreement to claims arising out of the alleged use of respirators involving exposure to asbestos, silica or silica products prior to January 1, 1997. With these arrangements in place, Aearo’s potential liability is limited to exposures alleged to have arisen from the use of respirators involving exposure to asbestos, silica, or silica products on or after January 1, 1997. To date, Aearo has elected to pay the quarterly fee. Aearo could potentially be exposed to additional claims for some part of the pre-July 11, 1995, period covered by its agreement with Cabot if Aearo elects to discontinue its participation in this arrangement, or if Cabot is no longer able to meet its obligations in these matters.

Developments may occur that could affect the estimate of Aearo’s liabilities. These developments include, but are not limited to: (i) significant changes in the number of future claims, (ii) significant changes in the average cost of resolving claims, (iii) significant changes in the legal costs of defending these claims, (iv) significant changes in the mix and nature of claims received, (v) trial and appellate outcomes, (vi) significant changes in the law and procedure applicable to these claims, (vii) significant changes in the liability allocation among the co-defendants, (viii) the financial viability of members of the Payor Group including exhaustion of available insurance coverage limits, and/or (ix) a determination that the interpretation of the contractual obligations on which Aearo has estimated its share of liability is inaccurate. The Company cannot determine the impact of these potential developments on its current estimate of Aearo’s share of liability for these existing and future claims. If any of the developments described above were to occur, the actual amount of these liabilities for existing and future claims could be significantly larger than the amount accrued. Because of the inherent difficulty in projecting the number of claims that have not yet been asserted, the complexity of allocating responsibility for future claims among the Payor Group, and the several possible developments that may occur that could affect the estimate of Aearo’s liabilities, the Company cannot estimate the amount or range of amounts by which Aearo’s liability may exceed the accrual the Company has established.

Environmental Matters and Litigation: The Company’s operations are subject to environmental laws and regulations including those pertaining to air emissions, wastewater discharges, toxic or hazardous substances, and the handling and disposal of solid and hazardous wastes, which are enforceable by national, state, and local authorities around the world, and many for which private parties in the United States and abroad may have rights of action. These laws and regulations can form the basis of, under certain circumstances, claims for the investigation and remediation of contamination, for capital investment in pollution control equipment, for restoration of and/or compensation for damages to natural resources, and for personal injury and property damages. The Company has incurred, and will continue to incur, costs and capital expenditures in complying with these laws and regulations, defending personal injury, natural resource, and property damage claims, and modifying its business operations in light of its environmental responsibilities. In its effort to satisfy its environmental responsibilities and comply with environmental laws and regulations, the Company has established, and periodically updates, policies relating to environmental standards of performance for its operations worldwide.

Under certain environmental laws, including the United States Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") and similar state laws, the Company may be jointly and severally liable, sometimes with other potentially responsible parties, for the costs of investigation and remediation of environmental contamination at current or former facilities and at off-site locations where hazardous substances have been released or disposed of. The Company has identified numerous locations, many of which are in the United States, at which it may have some liability for remediation of contamination under applicable environmental laws. Please refer to the section entitled “*Environmental Liabilities and Insurance Receivables”* that follows for information on the amount of the accrual for such liabilities.

Environmental Matters

As previously reported, the Company has been voluntarily cooperating with ongoing reviews by local, state, federal (primarily the U.S. Environmental Protection Agency ("EPA")), and international agencies of possible environmental and health effects of various perfluorinated compounds, including perfluorooctanoate ("PFOA"), perfluorooctane sulfonate ("PFOS"), perfluorohexane sulfonic acid ("PFHxS"), perfluorobutane sulfonate ("PFBS"), hexafluoropropylene oxide dimer acid ("HFPO-DA") and other per- and polyfluoroalkyl substances (collectively, "PFAS").

As a result of a phase-out decision in May 2000, the Company no longer manufactures certain PFAS compounds including PFOA, PFOS, PFHxS, and their precursor compounds. The Company ceased manufacturing and using the vast majority of those compounds within approximately two years of the phase-out announcement and ceased all manufacturing and the last significant use of those compounds by the end of 2008. The Company continues to manufacture a variety of shorter chain length PFAS compounds. These compounds are used as input materials to a variety of products, including engineered fluorinated fluids, fluoropolymers and fluorelastomers, as well as surfactants, additives, and coatings. Through its ongoing life cycle management and its raw material composition identification processes associated with the Company's policies covering the use of all persistent and bio-accumulative materials, the Company continues to review, control or eliminate the presence of certain PFAS in purchased materials, as intended substances in products, or as byproducts in some of 3M's current manufacturing processes, products, and waste streams.

3M announced in December 2022 it will take two actions with respect to PFAS: exiting all PFAS manufacturing by the end of 2025; and working to discontinue the use of PFAS across its product portfolio by the end of 2025. 3M is progressing toward the exit of all PFAS manufacturing by the end of 2025. 3M is also working to discontinue the use of PFAS across its product portfolio by the end of 2025 and has made progress in eliminating the use of PFAS across its product portfolio in a variety of applications. With respect to PFAS-containing products not manufactured by 3M in the Company's supply chains, the Company continues to evaluate the availability and feasibility of third-party products that do not contain PFAS. Depending on the availability and feasibility of such third-party products not containing PFAS, the Company continues to evaluate circumstances in which the use of PFAS-containing products manufactured by third parties and used in certain applications in 3M's product portfolios, such as lithium ion batteries, printed circuit boards and certain seals and gaskets, all widely used in commerce across a variety of industries, and in some cases required by regulatory or industry standards, may or are expected to, depending on applications, continue beyond 2025. In other cases, regulatory approval, customer re-certification or re-qualification of substitutes or replacements to eliminate the use of PFAS manufactured by third parties may not be completed, or, depending on circumstances, are not expected to be completed, by the end of 2025. With respect to PFAS-containing products manufactured by third parties, the Company intends to continue to evaluate beyond the end of 2025 the adoption of third-party products that do not contain PFAS to the extent such products are available and such adoption is feasible.

PFAS Regulatory and Legislative Activity

Regulatory and legislative activities concerning PFAS are accelerating in the United States, Europe and elsewhere, and before certain international bodies. These activities include gathering of exposure and use information, risk assessment activities, and increasingly stringent restrictions on various uses of PFAS in products and on PFAS in manufacturing emissions and environmental media, in some cases moving towards presently non-detectable limits for certain PFAS compounds. Regulatory limits for PFAS in emissions and in environmental media such as soil and water (including drinking water) are being set at increasingly low levels. Global regulations also appear to be increasingly focused on a broader group of PFAS, including PFAS compounds manufactured by 3M, used in current 3M products or generated as byproducts or degradation products from certain 3M production processes. Finally, in certain jurisdictions, legislation is being considered that, if enacted, might authorize the recovery from individuals or entities costs alleged to have been imposed on the jurisdiction's healthcare system, as well as related costs. If such activity continues, including as regulations become final and enforceable, 3M may incur material costs to comply with new regulatory requirements or as a result of regulation-related litigation or additional enforcement actions. Such regulatory changes may also have an impact on 3M's reputation and may also increase its costs and potential litigation exposure to the extent legal defenses rely on regulatory thresholds, or changes in regulation influence public perception. Given divergent and rapidly evolving regulatory drinking water and other environmental standards, there is currently significant uncertainty about the potential costs to industry and communities associated with remediation and control technologies that may be required.

Europe

In the European Union, where 3M has PFAS manufacturing facilities in Germany and Belgium, recent regulatory activities have included various proposed and enacted restrictions of PFAS or certain PFAS compounds, including under the EU's Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH") and the EU's Persistent Organic Pollutants ("POPs") Regulation. PFOA, PFOS and PFHxS (and their related compounds) are listed under several Annexes of the POPs Regulation, resulting in a ban in manufacture, placing on the market and use as well as some waste management requirements of these substances in EU Member States. These substances have also been listed in the Stockholm Convention, which has been ratified by more than 180 countries and aims for global elimination of certain listed substances (with narrow exceptions). In February 2023, an EU-wide restriction on the manufacturing, use, placing on the market and import of certain perfluorocarboxylic acids (C9-C14 PFCAs), which are PFAS substances, also went into effect.

With respect to the applicability of the amendment of the EU POPs Regulation to include PFOA, which has been applicable since 2021, Dyneon, a 3M subsidiary that operates the Gendorf facility in Germany, proactively consulted with the relevant German competent authority regarding improvements necessary to meet applicable limits for a recycling process for a critical emulsifier for which small amounts of PFOA are present after recycling as an unintended contaminant. In consultation with German regulatory authorities, to achieve the applicable limits for the use of the emulsifier until the exit of PFAS manufacturing, Dyneon has started to use a method containing a mix of recycled and virgin emulsifier.

In February 2023, the European Chemicals Agency published a proposal to restrict the manufacture, placing on the market and use of PFAS under REACH, subject to certain proposed exceptions. In March 2023, the six-month consultation phase on the PFAS Restriction Proposal started and, in September 2023, the Company submitted comments on the proposal. Depending on the timing, scope and obligations contained in any final restriction, PFAS manufacturers and manufacturers of PFAS-containing products including 3M could incur additional costs and potential exposures, including costs of having to discontinue or modify products, future compliance costs, possible litigation and/or enforcement actions.

Effective January 2023, the EU Food Contaminants Regulation targeting four PFAS (PFOS, PFOA, perfluorononanoic acid ("PFNA"), and PFHxS) in foodstuff (eggs and animal derived meat) prohibits the sale in all member states of foods containing levels of these chemicals exceeding certain regulatory thresholds. As member states implement the regulation, Dyneon, in coordination with local authorities and farmers, has proposed a pilot program of food sampling to determine if any remedial action is necessary. Sampling and further assessment of results is ongoing.

The EU regulates PFAS in drinking water via a Drinking Water Directive, which includes a limit of 0.1 micrograms per liter (µg/l) (or 0.1 parts per billion (ppb)) for a sum of 20 PFAS in drinking water. January 2023 was the deadline for Member States to implement the Directive in their countries. A majority of Member States have implemented the EU Directive. Some Member States, including Germany, adopted more restrictive limits for certain PFAS substances.

Dyneon and the predecessor operators of the Gendorf facility have commissioned a voluntary feasibility study by an independent soil consultant. The study discusses the feasibility of various options to treat PFOA in soil and groundwater as well as associated costs and the environmental impact of such treatment or disposal. The study has been shared with the competent authority. An expert body advising the competent authorities in the country recently provided feedback on the feasibility study and identified several additional recommended steps, including certain immediate measures and additional soil and groundwater investigations, and the competent authorities have indicated that they are likely to adopt at least some of the recommended steps. Dyneon continues to engage with the authorities on this matter.

3M Belgium, a subsidiary of the Company, has been working with the Public Flemish Waste Agency ("OVAM") for several years to investigate and remediate historical PFAS contamination at and near the 3M Belgium facility in Zwijndrecht, Antwerp, Belgium. In connection with a ring road construction project (the Oosterweel Project) in Antwerp that involved extensive soil work, an investigative committee with judicial investigatory powers was formed in June 2021 by the Flemish Parliament to investigate PFAS found in the soil and groundwater near the Zwijndrecht facility. 3M Belgium testified at Flemish parliamentary committee hearings in September and December 2021 on PFAS-related matters. As discussed in greater detail below, the Flemish Parliament, the Minister of the Environment, and regulatory authorities initiated investigations and demands for information related to the release of PFAS from the Zwijndrecht facility. 3M Belgium has cooperated with the authorities with respect to the investigations and information requests and is working with the authorities on an ongoing basis.

PFAS manufacturing in Zwijndrecht:

As previously disclosed, beginning in 2021, the Flemish Government issued two safety measures affecting 3M Belgium's PFAS manufacturing operations and requiring, among other things, cessation of multiple PFAS manufacturing operations pending authorization to restart. In that same year, the Province of Antwerp unilaterally adopted lower discharge limits for certain PFAS compounds in the water discharge permit for the Zwijndrecht facility and added a special condition that essentially prohibits discharge of any PFAS chemistry without a specific limit in the permit. As disclosed in prior filings, these governmental actions were followed by assertions by Flemish authorities that 3M had not properly implemented the safety measure and additional permitting actions that both increased the number of PFAS covered by the water discharge permit. In response, 3M changed operational practices to capture certain PFAS-bearing wastes for offsite disposal and installed additional water treatment capacity. Also, as previously disclosed, in the period of 2021 to the present, 3M filed multiple challenges to the government's actions and multiple amended or revised permit applications to address the rapidly changing situation at Zwijndrecht.

As previously disclosed, in September 2023, the Environmental Inspectorate issued an infraction report to 3M Belgium and instructed 3M Belgium to discontinue all PFAS-related operations until specifically authorized to continue. 3M Belgium complied and then submitted a plan to accelerate the phase out of its PFAS-related production processes at the Zwijndrecht site. In December 2023, Flemish authorities gave 3M Belgium approval to complete a PFAS-related production process for existing raw materials at the site. In January 2024, 3M Belgium also received approval from the relevant Flemish authorities to process existing quantities of intermediate and byproduct PFAS materials at the facility. 3M currently anticipates completion of the authorized PFAS manufacturing processes by the end of 2024.

In May 2024, in response to an information request 3M Belgium made to the Flemish Government regarding the review of the latest application for a water discharge permit, 3M Belgium received documents indicating that various governmental authorities supported issuance of the permit as requested. As of the date of this filing, the Flemish Government has not acted on the pending water discharge permit.

Dust emissions:

As previously disclosed, in October 2022, 3M Belgium received a report from the Flemish Inspectorate regarding certain health and safety issues noted during inspections of the Zwijndrecht facility in March 2022, alleging certain related deficiencies, some dating back to 2010. In July 2023, the Environmental Inspectorate issued an infraction report stating the actions taken by 3M Belgium to address the September 2022 infraction report were insufficient to reduce dust formation from the facility. 3M Belgium implemented additional control measures to address potential dust formation and is working to outline further actions to reduce potential dust formation.

Soil remediation and environmental law compliance:

Flemish government actions and Remediation Agreement. As previously disclosed, in September 2021, the Flemish Region issued a notice of default alleging violations of environmental laws and seeking PFAS-related information, indemnity and a remediation plan for soil and water impacts due to PFAS originating from the Zwijndrecht facility. 3M responded to the notice of default, announced plans to invest in actions related to the Zwijndrecht community and, in July 2022, 3M Belgium and the Flemish Government announced an agreement (the “Remediation Agreement”) in connection with the Zwijndrecht facility. Pursuant to the Remediation Agreement, 3M Belgium, among other things, committed an aggregate of €571 million, including enhancements to site discharge control technologies, support for qualifying local commercial farmers impacted by restrictions on sale of agricultural products, ongoing off-site descriptive soil investigation, amounts to address certain identified priority remedial actions (which may include supporting additional actions as required under the Flemish Soil Decree), funds to be used by the Flemish Government in its sole discretion in connection with PFAS emissions from the Zwijndrecht facility, and support for the Oosterweel Project in cash and support services. The agreement contains certain provisions ending litigation and providing certain releases of liability for 3M Belgium, while recognizing that the Flemish Government retains its authority to act in the future to protect its citizenry, as specified in the agreement. In connection with these actions, the Company recorded a pre-tax charge of approximately $500 million in the first half of 2022.

Soil remediation. Consistent with Flemish environmental law, descriptive soil investigations (“DSI”) have been carried out to assess areas of potential PFAS contamination that may require remediation. An accredited third-party soil remediation expert has conducted these DSIs.

3M Belgium submitted a consolidated DSI for long-chain PFAS in December 2023, as required, and is developing an additional DSI relating to short-chain PFAS that will be submitted in September 2024. As previously disclosed, the accredited third-party soil remediation expert prepared multiple remedial action plans that have been approved by OVAM, the competent authority, and implementation activities are underway. The currently anticipated additional remedial action plans are scheduled to be submitted for OVAM’s review by the end of 2024. 3M Belgium representatives continue to have discussions with the relevant authorities regarding further soil remedial actions in connection with the Flemish Soil Decree.

Changes to Flemish Soil Decree. In December 2022, the Flemish Cabinet took steps to implement an executive action (the “Site Decision”) designed to expand 3M Belgium’s remedial obligations around the Zwijndrecht site. On March 31, 2023, the Site Decision was fully approved by the Flemish Cabinet and the Site Decision was published in April 2023. While the full impact of the Site Decision remains to be determined, it appears to establish conditional obligations within 5 kilometers of Zwijndrecht and may create a presently undetermined amount of additional financial and remedial obligations for 3M Belgium. In June 2023, 3M Belgium submitted a petition for annulment of the Site Decision to the Belgian Council of State. In September 2023, the Flemish government submitted its response to the petition. 3M Belgium filed its final submission responding to the Flemish government’s arguments in November 2023. Various parties purporting to have an interest in the proceeding, including the government of the Netherlands, intervened and submitted arguments supporting the Site Decision.

In July 2023, the Flemish government approved another executive action establishing a temporary action framework that sets soil and groundwater values for evaluation of remediation of PFAS. While the full impact of the temporary action framework remains to be determined, its use of the values in the EU Drinking Water Directive for remediation of groundwater, regardless of whether the groundwater would be used for drinking water, may create a presently undetermined amount of additional financial and remedial obligations for 3M Belgium. In December 2023, 3M Belgium submitted a petition for annulment of the temporary action framework to the Belgian Council of State.

In May 2024, the Flemish government adopted legislation expanding the authority of OVAM to require financial security for remediation work and giving it the ability to impose a percentage of the cost of remediating river sediment on various parties while requiring financial assurance for such work. OVAM has not yet required such financial security from 3M Belgium or imposed such costs on 3M Belgium. These actions potentially could create presently undetermined additional financial obligations for 3M Belgium.

Pending or potential litigation and investigations outside the United States

Litigation.

Belgium. As of June 30, 2024, a total of seventeen actions against 3M Belgium are pending in Belgian civil courts. 3M Belgium has also received pre-litigation notices from individuals and entities in Belgium indicating potential claims. The pending cases include claims by individuals, municipalities, and other entities for alleged soil and wastewater or rainwater contamination with PFAS, nuisance, tort liability, personal injury and for an environmental injunction.

While most of the actions are in early stages, one of the actions resulted in an award of provisional damages of 500 euros to each of four family members who live near the Zwijndrecht site. Approximately 1,400 individuals have petitioned to intervene in a second "follow-on action" alleging primarily nuisance claims. The Belgian court has not yet determined that the interventions will be permitted. At an introductory hearing in the case, the court established a briefing schedule with all submissions completed in January 2026.

In December 2023, 3M Belgium, 3M Company and several additional 3M entities were named in a lawsuit identifying approximately 1,400 individuals as plaintiffs, which suit is separate from the above-referenced "follow-on action." The suit involves claims for defective products, liability for unlawful acts, and alleges liability of 3M entities as directors and/or shareholders of 3M Belgium, among other claims. A hearing in the case is scheduled for November 2024.

In June 2024, Lantis, an entity involved in the Oosterweel project, filed a lawsuit against 3M Belgium seeking damages related to soil storage costs and other alleged claims.

The Netherlands. In May 2023, the government of the Netherlands sent 3M Belgium a notice of liability stating that it holds 3M Belgium liable for damages related to alleged PFAS contamination in the Netherlands. The notice purports to identify claims by the Dutch government and references potential damages to other parties. 3M Belgium has met with representatives of the Dutch government to discuss the notice as well as with parties the Dutch government may also represent.

Certain private groups in the Netherlands have indicated that they may bring legal claims on behalf of one or more parties for purported damages allegedly caused by PFAS.

Canada. In December 2023, a putative class action was filed against 3M Canada, 3M Company, and other defendants in British Columbia civil court on behalf of Canadian individuals alleging personal injuries from exposure to AFFF imported into Canada for firefighting and other applications. The lawsuit seeks compensatory damages, punitive damages, disgorgement of profits, and the recovery of health care costs incurred by provincial and territorial governments.

In June 2024, the province of British Columbia, Canada, filed a putative class action in the British Columbia Supreme Court against 3M Company, 3M Canada, six DuPont/Chemours entities, Tyco Fire, and three BASF entities. The lawsuit purports to be brought on behalf of all provincial and territorial governments in Canada, including all municipalities and other local governments responsible for drinking water systems. The province alleges that the defendants manufactured, marketed, distributed and sold PFAS-containing products, including AFFF, knowing that they would contaminate the environment and threaten human health. The lawsuit asserts claims for public nuisance, private nuisance, negligent design, failure to warn, conspiracy, and breaches of the Competition Act. The lawsuit seeks compensatory damages for the costs incurred in: (1) the investigation, remediation, treatment, assessment, and restoration of lands, waters, sediments, and other natural resources contaminated by PFAS; and (2) the investigation, testing, monitoring, treatment and remediation of PFAS contamination of drinking water, wastewater, storm water discharges, and biosolids. It also seeks punitive damages and disgorgement of profits.

In July 2024, a putative class action was filed against 3M Canada, 3M Company, and other defendants in the Quebec Superior Court on behalf of public water suppliers and private well owners in Quebec located near sites where defendants allegedly manufactured, used, transported, processed, distributed or sold PFAS. The lawsuit seeks compensatory damages for the testing and treatment of drinking water as well as punitive damages.

Investigations. As previously disclosed, the Company is aware that criminal complaints have been filed against 3M Belgium with an Antwerp investigatory judge, alleging 3M Belgium unlawfully abandoned waste in violation of its environmental care obligations, among other allegations. Certain additional parties reportedly joined the complaints. 3M Belgium has not been served with any such complaints. 3M Belgium has been cooperating with the investigation.

Regulation in the United States

Federal Activity

In the United States, the EPA's “PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024” presents EPA’s regulatory approach to PFAS, including investing in research to increase the understanding of PFAS, pursuing a comprehensive approach to proactively control PFAS exposures to humans and the environment, and broadening and accelerating the scope of clean-up of PFAS in the environment.

With respect to drinking water, in April 2024, EPA announced final drinking water standards for five individual PFAS – PFOA (4 ppt), PFOS (4 ppt), PFHxS (10 ppt), PFNA (10 ppt), and HFPO-DA (10 ppt). EPA also set a drinking water standard for a combination of two or more of PFHxS, PFNA, HFPO-DA and PFBS in drinking water, which is based on a “hazard index” approach. Public drinking water suppliers in the United States will have five years to meet the limits. Multiple petitions challenging the rule have been filed in federal court by industry groups.

Various federal agencies in the United States also have been researching and publishing information about the potential health effects of PFAS. In May 2021, the U.S. Agency for Toxic Substances and Disease Registry ("ATSDR") within the Department of Health and Human Services finalized a Toxicological Profile that established minimal risk levels ("MRLs") for PFOS, PFOA and several other PFAS. An MRL is an estimate of the daily human exposure to a hazardous substance that is likely to be without appreciable risk of adverse non-cancer health effects over a specified duration of exposure. MRLs establish a screening level and are not intended to define cleanup or action levels for ATSDR or other agencies. EPA has also issued final human health toxicity assessments for certain PFAS, including PFBS and HFPO-DA. Those assessments identify the levels at which the EPA has determined exposures over various periods of time are unlikely to lead to adverse health effects.

In May 2022, EPA added five PFAS substances – HFPO-DA, PFOS, PFOA PFNA, and PFHxS - to its list of Regional Screening and Removal Management Levels. EPA had previously added PFBS to both lists in 2014. In May 2024, EPA substantially lowered the Regional Screening Levels for PFOA and PFOS. Regional Screening Levels are used to identify contaminated media that may require further investigation, while Regional Removal Management Levels are used by EPA to support certain actions under CERCLA.

In April 2024, EPA released its final rule listing PFOA and PFOS, and their salts and structural isomers, as CERCLA hazardous substances. A coalition of industry groups filed a petition challenging the rule in federal court in June 2024.

EPA published an Advanced Notice of Proposed Rulemaking considering CERCLA hazardous substance designations for additional PFAS, including PFBS, PFHxS, PFNA, HFPO-DA, PFBA, perfluorohexanoic acid ("PFHxA"), PFDA and their precursor compounds as well as the precursor compounds of PFOS and PFOA, for public comment in April 2023 and the Company submitted comments to the proposal in August 2023.

In February 2024, EPA proposed two rules under the Resource Conservation and Recovery Act (“RCRA”). One of the proposed rules would list nine PFAS (PFOA, PFOS, PFBS, Gen-X, PFHxA, PFHxS, PFNA, PFDA, and PFBA) and their salts and structural isomers as hazardous constituents under RCRA. The other proposed rule would expand the definition of hazardous waste subject to corrective action under RCRA. The Company submitted comments on both proposed rules.

As a result of the CERCLA designation of PFOA and PFOS, and to the extent EPA finalizes additional proposals related to PFAS, 3M may be required to undertake additional investigative or remediation activities, including where 3M conducts operations or where 3M has disposed of waste. 3M may also face additional litigation from other entities that have liability under these laws for claims seeking contribution to clean-up costs other entities might have.

In April 2022, EPA released draft Aquatic Life Criteria for PFOA and PFOS. These criteria, once finalized, may be used by states in developing water quality standards for protection of aquatic life under the Clean Water Act. 3M submitted comments on the draft criteria in July 2022. In December 2022, EPA issued guidance to states for incorporating PFAS requirements into the Clean Water Act National Pollution Discharge Elimination System ("NPDES") permit program, including recommendations to require PFAS monitoring and incorporating limits for PFAS in industrial discharges. In June 2024, EPA submitted to OMB for review its proposed rule under the Clean Water Act setting Effluent Limitations Guidelines and Standards for PFAS Manufacturers Under the Organic Chemicals, Plastics and Synthetic Fibers Point Source Category.

EPA has also taken several actions to increase reporting and restrictions regarding PFAS under the Toxic Substances Control Act ("TSCA") and the Toxics Release Inventory ("TRI"), which is a part of the Emergency Planning and Community Right-to-Know Act. EPA has added 196 PFAS compounds to the list of substances that must be included in TRI reports as of May 2024. In October 2023, EPA finalized a rule that requires TRI reporting of de minimis uses of TRI-listed PFAS.

In October 2023, EPA published a final rule imposing reporting and recordkeeping requirements under TSCA for manufacturers or importers, including 3M, of certain PFAS in any year since January 2011 to report certain data to EPA regarding each PFAS produced, including the following: chemical identity, total volumes, uses, byproducts, information about environmental and health effects, number of individuals exposed during manufacture, and the manner or method of disposal. This is a one-time reporting requirement covering in scope activities over a 12-year look-back period from 2011-2022. For most companies, including 3M, the reporting deadline is May 8, 2025.

In March 2024, EPA issued a TSCA test order requiring two manufacturers, including 3M, to conduct certain health and safety testing on NMeFOSE, a PFAS substance. In April 2024, 3M responded to the EPA that it does not believe it is subject to the test order because, among other reasons, 3M has not manufactured or processed NMeFOSE for over 20 years.

State Activity

Several state legislatures and state agencies have been evaluating or have taken various regulatory actions related to PFAS in the environment, including proposing or finalizing cleanup standards for PFAS in soil and water, groundwater standards, surface water standards, and/or drinking water standards for PFOS, PFOA, and other PFAS. 3M has submitted various responsive comments to various of these proposals.

States with finalized drinking water standards for certain PFAS include Vermont, New Jersey, New York, New Hampshire, Michigan, Massachusetts, Pennsylvania, and Wisconsin.

Additionally, in 2021 and 2022, California finalized its listing of PFOS (and its salts and transformation and degradation precursors) and PFOA as carcinogens and reproductive toxicants, and PFNA as a reproductive toxicant under its Proposition 65 law. California has also proposed listing PFDA, PFHxS, and PFUNDA as reproductive toxicants under Proposition 65.

In April 2021, 3M filed a lawsuit against the Michigan Department of Environment, Great Lakes, and Energy ("EGLE") to invalidate the drinking water standards EGLE promulgated under an accelerated timeline. In November 2022, the court granted 3M’s motion for summary judgment on the merits and invalidated EGLE’s rule based on its failure to properly consider relevant costs. The court stayed the effect of its decision pending appeal. EGLE appealed the decision in December 2022. In August 2023, the Michigan Court of Appeals upheld the lower court’s decision that EGLE’s rule was invalid. EGLE has appealed this ruling to the Michigan Supreme Court. The appeal has been fully briefed.

Some states have also been evaluating or have taken actions relating to PFOA, PFOS and other PFAS compounds in products. In 2021, the State of Maine passed its Act To Stop Perfluoroalkyl and Polyfluoroalkyl Substances Pollution, which banned intentionally added PFAS in products effective January 1, 2030, and required broad reporting of products containing intentionally-added PFAS effective January 1, 2023. In December 2022, 3M submitted to the Maine Department of Environmental Protection ("DEP") a list of products containing intentionally added PFAS that have been sold in the U.S. in the past two years in compliance with the law. 3M submitted an updated copy of that list to the Maine DEP in May 2023. The Maine legislature has since enacted legislation retroactive to January 1, 2023, that includes changes to the product bans and notification requirements in the original legislation, including by narrowing the products for which notification is required and extending the compliance date.

In May 2023, Minnesota enacted a law that includes broad PFAS prohibitions and reporting obligations. Under that law, manufacturers of any products containing intentionally added PFAS that are sold, offered for sale, or distributed in Minnesota must submit notifications to the MPCA by January 1, 2026. The statute also includes a general prohibition on sales of PFAS-containing products starting January 1, 2032, unless the MPCA has determined through a rulemaking that the use of PFAS in the product is unavoidable. In September 2023, the MPCA initiated a rulemaking process to implement the law's reporting obligations. In December 2023, the MPCA initiated a separate rulemaking concerning currently unavoidable uses of PFAS under the law.

Certain states, including Colorado, California, Connecticut, Hawaii, Maryland, Nevada, New York, Oregon, Rhode Island, Vermont, and Washington have enacted restrictions on PFAS in certain categories of products, including textiles, children’s products, cosmetics, and food packaging products.

The Company cannot predict what additional regulatory actions in the United States, Europe and elsewhere arising from the foregoing or other proceedings and activities, if any, may be taken regarding such compounds or the consequences of any such actions to the Company, including to its manufacturing operations and its products. Given divergent and rapidly evolving regulatory standards, there is currently significant uncertainty about the potential costs to industry and communities associated with remediation and control technologies that may be required.

Litigation Related to Historical PFAS Manufacturing Operations in Alabama

As previously reported, 3M has resolved numerous claims relating to alleged PFAS contamination of properties and water supplies by 3M’s Decatur, Alabama manufacturing facility. 3M will continue to address PFAS at certain other closed municipal sites at which the Company historically disposed waste and continue environmental characterization in the area. This work will complement an Interim Consent Order that 3M entered with the Alabama Department of Environmental Management (“ADEM") in 2020 and includes sampling of environmental media, such as ground water, regarding the potential presence of PFAS at the 3M Decatur facility and legacy disposal sites, as well as supporting the execution of appropriate remedial actions.

In August 2022, Colbert County, Alabama, which opted out of an earlier class settlement, filed a lawsuit against 3M and several co-defendants alleging that discharge from operations in Decatur, Alabama has contaminated the Tennessee River, from which the County draws its drinking water. Defendants' joint motion to dismiss was denied in December 2022, and defendants' petition for mandamus with the Supreme Court of Alabama was denied in September 2023. The case is in active discovery.

In February 2023, the City of Muscle Shoals, Alabama filed a lawsuit against 3M and several co-defendants alleging that discharge from operations in Decatur, Alabama has contaminated the Tennessee River, from which the City draws its drinking water. Defendants filed a joint motion to dismiss in March 2023, which was denied in January 2024. This case is in active discovery.

Since December 2023, 29 plaintiffs have filed nine personal injury actions against 3M and other defendants, alleging exposure to PFAS from defendants' operations in Decatur. 3M removed these cases to federal court, where it has sought transfer to the Aqueous Film Forming Foam (AFFF) federal Multi-District Litigation (MDL). As of June 30, 2024, seven of the nine cases have been transferred to the MDL, and a motion to transfer the two remaining cases is pending. Plaintiffs have moved to remand the cases back to state court.

State Attorneys General Litigation Related to PFAS

As previously reported, several state attorneys general have filed lawsuits against 3M and other defendants that are now pending in a federal MDL court in South Carolina regarding AFFF, described further below. The lawsuits generally seek on a state-wide basis: injunctive relief, investigative and remedial work, compensatory damages, natural resource damages, attorneys' fees, and, where available, punitive damages related to the states' response to PFAS contamination. Currently in the AFFF MDL, state attorneys general lawsuits have been brought against 3M on behalf of the people of the states of Alaska, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Hawaii, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Washington, and Wisconsin, as well as on behalf of the people of the District of Columbia and the territories of Guam, Puerto Rico, and the Northern Mariana Islands.

There are also multiple state attorneys general lawsuits that are proceeding outside the AFFF MDL, as described below.

New Jersey. In March 2019, the New Jersey Attorney General filed two actions against 3M, E.I. DuPont De Nemours and Co. ("DuPont"), and Chemours Co. ("Chemours") on behalf of the New Jersey Department of Environmental Protection ("NJDEP"), the NJDEP's commissioner, and the New Jersey Spill Compensation Fund regarding alleged discharges at two DuPont facilities in Pennsville, New Jersey (Salem County) and Parlin, New Jersey (Middlesex County). 3M is included as a defendant in both cases because it allegedly supplied PFOA to DuPont for use at the facilities at issue. Both cases expressly seek to have the defendants pay all costs necessary to investigate, remediate, assess, and restore the affected natural resources of New Jersey. DuPont removed these cases to federal court. In June 2020, the court consolidated the two actions, along with two others brought by the NJDEP relating to the DuPont facilities, for case management and pretrial purposes. The court has set a trial commencement date of no later than June 2, 2025 in the Salem County case, while the Middlesex County case remains on administrative termination.

New Hampshire. In May 2019, the New Hampshire Attorney General filed two lawsuits alleging contamination of the state's drinking water supplies and other natural resources by PFAS chemicals. As described above, one lawsuit was transferred to the AFFF MDL. The Company recently removed the other case to federal court and attempted to transfer it to the AFFF MDL, which was denied at this juncture in the litigation. In March 2023, the federal judge granted the state's motion to remand the case back to state court. 3M has appealed that decision and oral argument was held in October 2023. Limited discovery is progressing in state court while the appeal remains pending.

Vermont. In June 2019, the Vermont Attorney General filed two lawsuits alleging contamination of the state's drinking water supplies and other natural resources by PFAS chemicals. As described above, one lawsuit was transferred to the AFFF MDL. The other suit asserts PFAS contamination from non-AFFF sources and names 3M and several entities related to DuPont and Chemours as defendants. In late 2022, the complaint was amended to add claims related to PFBS and HFPO-DA and its salts ("GenX") and to add a claim under Vermont's Waste Management Act, which had been amended to add manufacturers as liable parties for the release or threatened release of hazardous materials (which in Vermont includes certain PFAS compounds). The case was removed to federal court in January 2024. Prior to the filing of that Notice, the suit was proceeding in state court, and the court had set a trial-ready date in March 2025. In October 2023, the State issued a letter to 3M and another entity requesting that an environmental investigation be conducted at the site of a facility in Rutland, Vermont that 3M owned from approximately 1955 until 1975. 3M responded to the State in November 2023. In December 2023, 3M removed the case to federal court. The State filed a motion for remand, which was granted in April 2024. 3M filed a notice of appeal from the remand order in April 2024. In the meantime, discovery has resumed in state court, where an August 31, 2025 trial-ready date has been set.

Illinois. In March 2022, the Illinois Attorney General filed a lawsuit in Illinois state court against 3M alleging contamination of the state's natural resources by PFAS compounds disposed of by, or discharged, or emitted from 3M's Cordova plant. The complaint requests monetary damages, injunctive relief, civil penalties, a testing program, and a public outreach and information sharing program. The case was removed to federal court and 3M moved to transfer it to the AFFF MDL, which was denied. In September 2023, the federal judge granted the state's motion to remand the case back to state court. 3M has appealed that decision and oral argument was held in May 2024.

Two other suits filed by the Illinois Attorney General in 2023 alleging statewide PFAS contamination have been removed to federal court and transferred to the AFFF MDL.

Maine. In March 2023, Maine's Attorney General filed two lawsuits in state court against 3M and other defendants that contain allegations related to PFAS contamination of state natural resources from AFFF and non-AFFF products, respectively. As described above, the AFFF lawsuit was removed to federal court and transferred to the AFFF MDL. In July 2023, following 3M's removal of the other lawsuit to federal court, a federal district court ordered that the "non-AFFF" lawsuit be remanded to state court. 3M has appealed the remand decision, and briefing on the appeal is complete.

Maryland. In May 2023, Maryland's Attorney General filed two lawsuits in state court against 3M and other defendants that contain allegations related to PFAS contamination of state natural resources from AFFF and non-AFFF products, respectively. As described above, the AFFF lawsuit was removed to federal court and transferred to the AFFF MDL. 3M has also removed the "non-AFFF" case to federal court. 3M's motion to transfer the "non-AFFF" case to the MDL was denied and the state's motion to remand the case back to state court was granted. 3M has filed a notice of appeal of the remand decision.

South Carolina. In August and October 2023, South Carolina's Attorney General filed two lawsuits in state court against 3M and other defendants that contain allegations related to PFAS contamination of state natural resources from non-AFFF products and AFFF, respectively. 3M removed both cases from state court directly to the AFFF MDL in federal court. In February 2024, the MDL judge granted the State's motion to remand the non-AFFF lawsuit to state court. 3M has filed a notice of appeal of the remand decision.

Connecticut. In January 2024, Connecticut's Attorney General filed two lawsuits in state court against 3M and other defendants that contain allegations related to PFAS contamination of state natural resources from AFFF and non-AFFF products, respectively. The AFFF lawsuit was removed to federal court and transferred to the AFFF MDL. 3M has also removed the non-AFFF case to federal court, and the state has filed a motion to remand the non-AFFF case to state court.

In addition, the Company is in discussions with several state attorneys general and agencies, responding to information and other requests, including entering into tolling agreements, relating to PFAS matters and exploring potential resolution of some of the matters raised.

Aqueous Film Forming Foam (AFFF) Environmental Litigation

3M manufactured and marketed AFFF containing certain PFAS for use in firefighting from approximately 1963 to 2002. As of June 30, 2024, approximately 9,017 lawsuits (including approximately 49 putative class actions and 741 public water system cases) alleging injuries or damages from PFAS contamination or exposure allegedly caused by AFFF use are pending against 3M (along with other defendants) in various state and federal courts. As further described below, a vast majority of these pending cases are in a federal MDL court in South Carolina. Additional AFFF cases continue to be filed in or transferred to the MDL. Claims in the MDL are asserted by individuals, public water systems, putative class members, state and territorial sovereigns, and other entities. Plaintiffs seek a variety of forms of relief in cases in the MDL, including, where applicable, damages for personal injury, property damage, water treatment costs, medical monitoring, natural resource damages, and punitive damages. The Company also continues to defend certain AFFF cases that remain in state court and is in discussions with pre-suit claimants for possible resolutions where appropriate.

AFFF MDL and Water System Cases

In December 2018, the U.S. Judicial Panel on Multidistrict Litigation ("JPML") granted motions to transfer and consolidate all AFFF cases pending in federal courts to the U.S. District Court for the District of South Carolina to be managed in an MDL proceeding to centralize pre-trial proceedings. Over the past five years, the parties in the MDL have conducted substantial discovery, including ongoing master discovery and several rounds of discovery involving potential bellwether cases.

In September 2022, the court issued an order denying defendants' MDL-wide summary judgment motions on the government contractor defense, which defense can be presented to a jury at future trials.

In the MDL, following the previously disclosed public water systems ("PWS") settlement, a number of cases filed by PWS are still pending. Most of the PWS that have filed claims against 3M are participating in the PWS Settlement (as defined below), and the parties are in the process of implementing the dismissal of released claims in accordance with the court's final approval order. The PWS with cases in the MDL include community water systems, which are public water systems that provide water for human use and consumption to a set population, and non-community water systems, which are public water systems that supply water to a varied population (for example, campgrounds or schools). There are approximately 50,000 community water systems in the United States. The MDL cases focus on AFFF, but the MDL also contains a number of cases with allegations related to the broader category of PFAS products. 3M and other defendants also face cases filed by public water systems outside of the MDL. Public water system cases include a variety of claims, including for product liability, negligence, and public nuisance. The cases seek damages for, among other things, remediation costs to remove PFAS from drinking water provided to communities, as well as punitive damages. The MDL court has repeatedly encouraged the parties in the MDL to negotiate to resolve cases, including these PWS cases. In October 2022, the court appointed a retired federal judge as a mediator to assist the parties in seeking resolutions.

On June 22, 2023, 3M entered into a class-action settlement to resolve a wide range of drinking water claims by public water systems in the United States (“PWS Settlement”), which was approved by the court in March 2024 and took effect in May 2024. Eligible class members are United States public water systems as defined in the PWS Settlement. For class members, the PWS Settlement resolves the portion of the MDL involving PWS drinking water claims in the United States by providing funding for treatment technologies to eligible PWS that have tested positive for PFAS, funding for future testing, and funding for eligible systems that test positive in the future. The PWS Settlement provides that 3M does not admit any liability or wrongdoing and does not waive any defenses.

Under the PWS Settlement, class members agreed to release 3M from any claim arising out of, relating to, or involving (i) PFAS that has entered or may enter drinking water or the class member’s water system; (ii) the development, manufacture, formulation, distribution, sale, transportation, storage, loading, mixing, application, or use of PFAS or any product (including AFFF) manufactured with or containing PFAS; (iii) the transport, disposal, or arrangement for disposal of PFAS-containing waste or PFAS-containing wastewater, or a class member’s use of PFAS-containing water for irrigation or manufacturing; or (iv) representations about PFAS or any product (including AFFF) manufactured with or containing PFAS. The PWS Settlement also requires class members to release punitive- or exemplary-damages claims that arise out of conduct occurring at least in part before the PWS Settlement’s effective date and that relate to PFAS, or any product (including AFFF) manufactured with or containing PFAS.

3M will pay $10.5 billion to $12.5 billion in total to resolve the claims released by the PWS Settlement. 3M recorded a pre-tax charge of $10.3 billion in the second quarter of 2023. The charge reflected the present value (discounted at an estimated 5.2% interest rate at time of proposed settlement) of the expected $12.5 billion nominal value of 3M’s payments under the PWS Settlement. The PWS Settlement, as amended to include payments to the cities of Stuart, Rome and Middlesex (as discussed below), calls for 3M to make payments from 2024 through 2036. The actual amounts that 3M will pay will be determined in part by which class members that do not have a positive test result for the presence of PFAS in their drinking water (as defined by the PWS Settlement) as of the date of the PWS Settlement receive such a test result by the end of 2025.

The deadline for eligible public water systems to opt out of the PWS Settlement was December 11, 2023. As noted above, following preliminary approval by the Court in August 2023, the Court approved the PWS Settlement in March 2024.

The previously disclosed case filed by the City of Stuart, Florida that was selected by the MDL court as the first bellwether trial was also settled in connection with the PWS Settlement. Outside the MDL, a trial was also scheduled to occur in June 2023 in a water provider lawsuit brought by the City of Rome, Georgia. 3M reached a settlement agreement to resolve the case. 3M also reached a settlement in a water provider lawsuit brought by Middlesex Water Company in New Jersey. Under the terms of the PWS Settlement, 3M's payments due under the PWS Settlement factor in amounts related to the City of Rome and Middlesex settlements.

In December 2023, the parties selected an initial set of 25 plaintiffs for potential personal injury bellwether cases. Discovery is ongoing in these cases. In July 2024, the court selected 9 out of the 25 bellwether cases to undergo additional discovery, including expert discovery. In March 2024, the Court issued an order establishing a process for addressing most personal injury claims for diseases not included in the initial set of 25 cases, which presently is expected to result in the dismissal without prejudice of thousands of personal injury claims. The process includes a tolling provision for certain dismissed claims filed in or transferred to the MDL by April 24, 2024.

The MDL court has not yet set trial dates for any of the bellwether personal injury cases. Under the MDL case management order, by January 2025, the parties must meet and confer on which bellwether cases will move forward with dispositive motion practice and any trials. The court also continues to encourage the parties to consider settlement of certain personal injury claims.

Other AFFF Cases

In June 2019, several subsidiaries of Valero Energy Corporation, an independent petroleum refiner, filed eight AFFF cases against 3M and other defendants, including DuPont/Chemours, National Foam, Buckeye Fire Equipment, and Kidde-Fenwal, in various state courts. Plaintiffs seek damages that allegedly have been or will be incurred in investigating and remediating PFAS contamination at their properties and replacing or disposing of AFFF products containing long-chain PFAS compounds. Two of these cases have been removed to federal court and transferred to the AFFF MDL, and one case was voluntarily dismissed. The five cases that remain pending in state courts are stayed by agreement of the parties.

The Company is aware of other AFFF suits outside the AFFF MDL in which the Company has been named a defendant. 3M anticipates that most of these cases will eventually be removed to federal court and transferred to the AFFF MDL; however, several cases are expected to remain pending in state courts, including a case in Illinois state court brought by an oil refinery worker alleging harm caused by PFAS and other chemicals.

Separately, the Company is aware of pre-suit claims or demands by other parties related to the use and disposal of AFFF, one of which purports to represent a large group of firefighters.

In June 2023, the City of Springfield, Missouri sued 3M and other defendants in the AFFF MDL. Springfield's complaint alleges that 3M and other defendants are liable for damage to Springfield's public water system from PFAS attributable to AFFF. Springfield opted out of 3M's nationwide public water system settlement and its lawsuit remains pending in the MDL. In May 2024, Springfield filed a lawsuit in federal court in Missouri against 3M alleging violations of the federal Clean Water Act and the federal Resource Conservation and Recovery Act. 3M has sought to transfer this case to the AFFF MDL. Plaintiff has opposed transfer and a briefing schedule has been set on plaintiff's opposition. Separately, 3M has reported to the Missouri Department of Natural Resources ("MDNR") the presence of PFAS in soil and water at the Springfield facility. 3M is addressing that matter under supervision of the MDNR.

Other PFAS-related Product and Environmental Litigation

Numerous other PFAS-related suits naming 3M as a defendant have been filed outside the MDL in courts across the country in which 3M has been named a defendant. The Company anticipates most of the cases that relate to AFFF will ultimately be removed to federal court and transferred to the MDL. However, some of these cases are likely to remain in state or federal courts outside of the MDL.

3M manufactured and sold various products containing PFOA and PFOS, including Scotchgard, for several decades. Starting in 2017, 3M has been served with individual and putative class action complaints in various state and federal courts alleging, among other things, that 3M's customers' improper disposal of PFOA and PFOS resulted in the contamination of groundwater or surface water. The plaintiffs in these cases generally allege that 3M failed to warn its customers about the hazards of improper disposal of the product. They also generally allege that contaminated groundwater has caused various injuries, including personal injury, loss of use and enjoyment of their properties, diminished property values, investigation costs, and remediation costs. Several companies have been sued along with 3M, including Saint-Gobain Performance Plastics Corp., Honeywell International Inc. f/k/a Allied-Signal Inc. and/or AlliedSignal Laminate Systems, Inc., Wolverine World Wide Inc. ("Wolverine"), Georgia-Pacific LLC, DuPont, Chemours, and various carpet manufacturers.

The cases brought on behalf of drinking water providers described below will be covered by the PWS Settlement if the water providers did not opt out of the PWS Settlement.

In Alabama, 3M, together with multiple co-defendants, is defending five state court cases brought by municipal water utilities. The plaintiffs in two of these cases (Centre and Shelby/Talladega Counties) are water utilities alleging that the carpet manufacturers in Georgia improperly discharged PFAS into the surface water and groundwater, contaminating drinking water supplies of cities located downstream along the Coosa River. The Centre case is pending assignment of a new trial date after a November 2023 trial date was vacated. The case brought by Shelby and Talladega Counties was recently remanded to state court and is entering active discovery. In the third action, 3M is defending a putative class action by the Utilities Board of Tuskegee on behalf of all drinking water utilities within Alabama whose finished drinking water has contained a detectable concentration level of PFOA, PFOS, GenX, or PFBS that exceed the June 2022 health advisory levels issued by the EPA. 3M filed a motion to dismiss the complaint in October 2022, which was granted in part and denied in part in February 2023. The case is proceeding through discovery and a trial date has been set in June 2026. In the fourth case, the city of Albertville, Alabama recently filed suit for alleged contamination of the Tennessee River (upstream of 3M's Decatur facility) by a carpet manufacturer located upriver in Alabama. Defendants filed a joint motion to dismiss in May 2024. In the final case, the city of Mobile alleges that 3M and other defendants are responsible for PFAS contamination of the city's water supply resulting from PFAS released by a local landfill. 3M filed a motion to dismiss this case in June 2024.

3M is also defending a mass action filed in June 2024 by hundreds of individual customers of the Water Works and Sewer Board for the City of Gadsden, Alabama, alleging emotional distress and property damage related to PFAS contamination of their drinking water. 3M removed the case to federal court and answered the complaint in June 2024.

In Georgia, 3M, together with co-defendants, is also defending another putative class action in federal court in Georgia, in which plaintiffs seek relief on behalf of a class of individual ratepayers in Summerville, Georgia who allege their water supply was contaminated by PFAS discharged from a textile mill. In May 2021, the City of Summerville filed a motion to intervene in the lawsuit, which was granted in March 2022. This case is now proceeding through discovery, which has been extended by the court through October 2024.

Another case originally filed in Georgia state court was brought by individuals asserting PFAS contamination by the Georgia carpet manufacturers and seeking economic damages and injunctive relief on behalf of a putative class of Rome and Floyd County water subscribers. That case continues, with class certification and other motions recently briefed.

In February 2024, two landowners in Gordon County, Georgia sued 3M and other defendants for alleged contamination of their properties from wastewater treatment sludge allegedly containing PFAS from nearby carpet manufacturing operations. One of 3M's co-defendant's, the City of Calhoun, Georgia, has filed a cross claim against 3M and other defendants alleging that biosolids from its wastewater treatment plant were contaminated with PFAS that has migrated into its water supply. 3M filed motions to dismiss the complaint and cross claim. In June 2024, a related lawsuit was filed on behalf of other property owners receiving biosolids from the same municipal water treatment plant. 3M's responsive pleading is not yet due.

In Delaware, 3M is defending one putative class action brought by individuals alleging PFAS contamination of their water supply resulting from the operations of local metal plating facilities. Plaintiffs allege that 3M supplied PFAS to the metal plating facilities. DuPont, Chemours, and the metal platers have also been named as defendants. This case was removed to federal court, and in September 2022, the court dismissed all but plaintiffs' negligence claim. In November 2022, plaintiffs filed a third amended complaint seeking to replead certain previously dismissed claims and, in August 2023, the court once again dismissed all but plaintiffs' negligence claim. The case is now proceeding in discovery.

In New Jersey, 3M had been named a defendant in a lawsuit brought by the Borough of Hopatcong and Pequannock Township as water providers seeking damages for PFAS remediation. Those plaintiffs are participating in the PWS Settlement and the cases were voluntarily dismissed in May 2024.

3M, together with several co-defendants, is also defending 28 cases in New Jersey federal court brought by individuals with private drinking water wells near certain DuPont and Solvay facilities that were allegedly supplied with PFAS by 3M. 3M has agreed to settle with the plaintiffs in ten cases that sought property damages, subject in certain cases to court approval. Plaintiffs in the 18 remaining individual cases allege personal injuries to themselves or to their disabled adult children.

3M and Middlesex Water Company are defending a putative class action filed in New Jersey federal court in November 2021 by individuals who received drinking water from Middlesex Water Company that was allegedly contaminated with PFOA. In May 2022, Middlesex Water Company filed a third-party complaint against the Company in New Jersey state court in a putative class action brought by customers of the water company, seeking contribution and indemnity from the Company. In November 2023, Middlesex Water Company dismissed its third-party complaint against the Company in connection with the settlement of Middlesex Water Company's separate action against 3M. A trial date in the state court action has been set for September 2024. In March 2023, a personal injury lawsuit was filed against 3M and Middlesex Water Company by another Middlesex Water Company customer. In May 2023, 3M filed a motion to dismiss certain of the claims in that lawsuit and plaintiff subsequently amended his complaint to withdraw certain claims against 3M. The case is now proceeding in discovery.

In South Carolina, a putative class action lawsuit was filed in South Carolina state court against 3M, DuPont and DuPont related entities in March 2022. The lawsuit alleges property damage and personal injuries from contamination from PFAS compounds used and disposed of at the textile plant known as the Galey & Lord plant from 1966 until 2016. The complaint seeks remedies including damages, punitive damages, and medical monitoring. The case has been removed to federal court. Plaintiff filed a second amended complaint in November 2022, and 3M and DuPont filed a joint motion to dismiss, which was largely denied in September 2023. The case is now proceeding in discovery.

In Massachusetts, a putative class action lawsuit was filed in August 2022 in state court against 3M and several other defendants alleging PFAS contamination from waste generated by local paper manufacturing facilities. The lawsuit alleges property damage and also seeks medical monitoring on behalf of plaintiffs within the Town of Westminster. This case was removed to federal court. In February 2023, the federal court consolidated this action with a previously-filed federal case involving similar allegations and claims against 3M's co-defendants. Thereafter, plaintiffs filed a second amended complaint asserting claims against 3M. 3M filed a motion to dismiss the second amended complaint in March 2023. The motion was granted in part and denied in part in December 2023. In February and March 2024, 3M and the remaining defendants answered the complaint and filed cross claims against one another. The case is now proceeding in discovery. In March and April 2024, 3M's co-defendants filed several motions to add new third-party defendants. 3M subsequently filed a motion to add cross claims against most of the new proposed third-party defendants, if they are added to the case. A hearing on these motions has been set for July 2024.

In Maine, a group of landowners filed a second amended complaint in October 2022 in federal district court, adding 3M and several other alleged chemical suppliers as defendants in a case previously filed against several paper mills, alleging PFAS contamination from waste generated by the paper mills. The lawsuit seeks to recover for alleged property damage. In March 2023, plaintiffs filed a third amended complaint limiting the scope of their claims to allegations pertaining to one paper mill and three defendants that allegedly supplied PFAS-containing products to that mill, including 3M. In October 2023, the court denied 3M's motion to dismiss the case. The case is now proceeding in discovery.

In Wisconsin, in August 2023, 3M and other defendants were named as defendants in a putative class action brought in federal court by several residents of Oneida County alleging property damage resulting from PFAS contamination they attribute to the operations of a paper mill in Rhinelander, Wisconsin. In December 2023, the JPML denied 3M's request to transfer the case to the AFFF MDL. 3M has filed a motion to dismiss, which remains pending. The court has set a trial date in September 2026.

In Pennsylvania, a group of plaintiffs filed a complaint against 3M and other defendants in state court in December 2023 alleging personal injury, property damage, and medical monitoring claims arising from alleged water contamination from natural gas fracking and mine water discharge, which plaintiffs claim contained PFAS supplied by 3M. In April 2024, the parties filed a joint motion for voluntary dismissal without prejudice of the plaintiffs' claims, which was granted in May 2024.

In Missouri, in April 2024, 3M and certain DuPont-related entities were added as defendants to a pending putative class action brought by individuals alleging PFAS contamination of their properties and drinking water from metal plating operations in southeastern Missouri. 3M filed a motion to dismiss the complaint in June 2024. In May 2024, 3M was named as a defendant in a putative class action brought by individuals claiming exposure to PFAS from drinking water in Canton, Missouri. 3M has not yet responded to the complaint.

In Connecticut, in June 2024, 3M and numerous other defendants were sued in a putative class action brought by individual firefighters and several firefighter unions, alleging exposure to PFAS from certain turnout gear worn by the class members. 3M has not yet responded to this complaint.

In October 2018, 3M and other defendants, including DuPont and Chemours, were named in a putative class action in the U.S. District Court for the Southern District of Ohio brought by the named plaintiff, a firefighter allegedly exposed to PFAS chemicals through his use of firefighting foam, purporting to represent a putative class of all U.S. individuals with detectable levels of PFAS in their blood. In March 2022, the court certified a class of "[i]ndividuals subject to the laws of Ohio, who have 0.05 [ppt] of PFOA (C-8) and at least 0.05 ppt of any other PFAS in their blood serum." In November 2023, following the grant of defendants' request to appeal, the Sixth Circuit issued an order vacating the class certification decision and remanding the case with instructions that the district court dismiss the case. In January 2024, the Sixth Circuit denied a motion by plaintiffs for en banc rehearing of that order. In March 2024, the district court vacated the class certification order and dismissed the case for lack of jurisdiction. In June 2024, 3M was named as a defendant in a new putative nationwide class action by the same named plaintiff who filed the Ohio suit that was dismissed and is described above. The suit was brought against only 3M and DuPont entities and seeks to establish a putative class of anyone subject to the laws of Ohio or subject to the law of states that recognize the claims for relief filed by plaintiffs with blood serum levels of 2 ppb or more of PFOS and PFOA (combined) manufactured by defendants. 3M was served with the suit in July 2024, and subsequently filed a motion to transfer the case to the AFFF MDL.

Other PFAS-related Matters

At its Greystone, Wisconsin plant where the Company conducts mining operations, the tap water available for consumption on the grounds was recently sampled and tested, and the level of certain PFAS exceeded the state's maximum contaminant level. Wisconsin Department of Natural Resources ("DNR") in October 2023 instructed the plant to notify potential drinking water users on the grounds of the plant and indicated that a notice of violation would be issued to the plant. The Company made the required notifications on October 24, 2023. On January 9, 2024, the Company received a Notice of Violation and Enforcement Conference from the Wisconsin DNR. Following discussions, the Company entered into a consent order with the Wisconsin DNR in June 2024 regarding the installation of a treatment system for the supply well by March 2026 as the appropriate corrective actions.

The Company continues to make progress in its work, under the supervision of state regulators, to remediate historic disposal of PFAS-containing waste associated with manufacturing operations at its Decatur, Alabama; Cottage Grove, Minnesota; and Cordova, Illinois plants.

As previously reported, the Illinois EPA in August 2014 approved a request by the Company to establish a groundwater management zone at its manufacturing facility in Cordova, Illinois, which includes ongoing pumping of impacted site groundwater, groundwater monitoring and routine reporting of results. Effective May 2022, the Illinois EPA terminated the Cordova May 2000 Site Remediation Agreement. The Company continues to perform pumping of impacted site groundwater, groundwater monitoring and routine reporting of results to Illinois EPA. In addition, the Company is treating its pumped groundwater at its Cordova wastewater treatment plant.

In addition, as previously reported, as part of its ongoing evaluation of regulatory compliance at its Cordova, Illinois facility, the Company discovered it had not fully characterized its PFAS discharge in its NPDES permit for the Cordova facility. In November 2019, the Company disclosed this matter to the EPA, and in January 2020 disclosed this matter to the Illinois Environmental Protection Agency ("IEPA"), submitted an NPDES permit application for the PFAS in its discharge, put on-line and in operation wastewater treatment specifically designed to treat PFAS. The Company continues to work with the EPA and IEPA to address these issues from the Cordova facility.

In November 2022, the Company entered into an Administrative Consent Order under the Safe Drinking Water Act ("SDWA") that requires the Company to continue to sample and survey private and public drinking water wells within the vicinity of the Cordova facility, provide treatment of private water wells within a three-mile radius of the Cordova facility, and to provide alternate treatment/supply for the Camanche, Iowa public drinking water system. The Company continues to work with EPA and the City of Camanche as it implements the SDWA Administrative Consent Order.

In April 2022, the Company received a TSCA information request from EPA seeking information related to the operation of specific PFAS-related processes at the Cordova facility. The Company has completed its production of documents and information and is cooperating with this inquiry.

In May 2022, the Company received a notice of potential violation and opportunity to confer and a notice of intent to file a complaint from EPA alleging violations of the RCRA related to the use of emergency spill containment units associated with certain chemical processes at the Cordova facility. Separately, in July 2023, 3M received from the EPA a draft for discussion of a federal administrative order under the RCRA, which would require 3M to determine the nature and extent of PFAS contamination at and around its Cordova facility, among other items. The Company continues to work with EPA regarding its draft administrative order.

In March 2024, the Company received an information request from EPA seeking information related to the implementation of the Cordova facility's Clean Air Act section 122(r) risk management program. In May 2024, EPA conducted an on-site inspection at the Cordova facility as part of its 112(r) risk management program investigation. The Company has completed its production of information and documents responsive to the information request.

In Alabama, as previously reported, the Company entered into a voluntary remedial action agreement with the ADEM to remediate the presence of PFAS in the soil and groundwater at the Company's manufacturing facility in Decatur, Alabama associated with the historic (1978-1998) incorporation of wastewater treatment plant sludge. With ADEM's agreement, 3M substantially completed installation of a multilayer cap on the former sludge incorporation areas.

The Company operates under a 2009 consent order issued under the federal TSCA (the "2009 TSCA consent order") for the manufacture and use of two perfluorinated materials (FBSA and FBSEE) at the Decatur site that prohibits release of these materials into "the waters of the United States." In March 2019, the Company halted the manufacture, processing, and use of these materials at the site upon learning that these materials may have been released from certain specified processes at the Decatur site into the Tennessee River. In April 2019, the Company voluntarily disclosed the releases to the U.S. EPA and ADEM. During June and July 2019, the Company took steps to fully control the aforementioned processes by capturing all wastewater produced by the processes and treating all air emissions. These processes have been back on-line and in operation since July 2019.

As previously reported, in December 2019, the Company received a grand jury subpoena from the U.S. Attorney's Office for the Northern District of Alabama for documents related to, among other matters, the Company's compliance with the 2009 TSCA consent order and unpermitted discharges to the Tennessee River from its Decatur facility. The Company continues to cooperate with the U.S. Attorney's Office, the U.S. Department of Justice and the EPA with respect to this issue.

The Company is authorized to discharge wastewater from its Decatur plant pursuant to an NPDES permit issued by ADEM. The NPDES permit requires monthly and quarterly reporting on the quality and quantity of pollutants discharged to the Tennessee River. In June 2019, as previously reported, the Company voluntarily disclosed to the EPA and ADEM that it had included incorrect values in certain of its monthly and quarterly reports. The Company has submitted the corrected values to both the EPA and ADEM.

As previously reported, as part of ongoing work with the EPA and ADEM to address compliance matters at the Decatur facility, the Company discovered it had not fully characterized its PFAS discharge in its NPDES permit. In September 2019, the Company disclosed the matter to the EPA and ADEM temporarily idled certain manufacturing processes at 3M Decatur and installed wastewater treatment controls.

3M and ADEM also agreed to the terms of an interim Consent Order in July 2020 to cover all PFAS-related wastewater discharges and air emissions from the Company's Decatur facility. Under the interim Consent Order, the Company's principal obligations include commitments related to (i) future ongoing site operations such as (a) providing notices or reports and performing various analytical and characterization studies and (b) future capital improvements; and (ii) remediation activities, including on-site and off-site investigations and studies. Obligations related to ongoing future site operations under the Consent Order involve additional operating costs and capital expenditures over multiple years. As offsite investigation activities continue, additional remediation amounts may become probable and reasonably estimable.

In Minnesota, as previously reported, the Company discovered it had not fully characterized its PFAS discharge in its NPDES permit for the Cottage Grove facility and, in March 2020, disclosed this matter to the MPCA and the EPA. In July 2020, the Company received an information request from MPCA for documents and information related to, among other matters, the Company's compliance with the Clean Water Act at its Cottage Grove facility. The Company is cooperating with this inquiry and is producing documents and information in response to the request for information.

In Minnesota, the Company continues to work with the MPCA pursuant to the terms of an ongoing and previously disclosed May 2007 Settlement Agreement and Consent Order ("SACO") to address the presence of certain PFAS compounds in the soil and groundwater at former disposal sites in Washington County, Minnesota (Oakdale and Woodbury) and at the Company's manufacturing facility at Cottage Grove, Minnesota. Under this agreement, the Company's principal obligations include (i) evaluating releases of certain PFAS compounds from these sites and proposing response actions, including actions to provide treatment or alternative drinking water upon identifying any level exceeding a Health Based Value ("HBV") or Health Risk Limit ("HRL") (i.e., the amount of a chemical in drinking water determined by the MDH to be safe for human consumption over a lifetime) for certain PFAS compounds for which a HBV and/or HRL exists; (ii) remediating identified sources of other PFAS compounds at these sites that are not controlled by actions to remediate PFOA and PFOS; and (iii) sharing information with the MPCA about certain perfluorinated compounds.

In January 2024, the Minnesota Department of Health issued updated, more stringent, HBVs for PFOA and PFOS. 3M is evaluating any potential impact of these developments on its obligations under the SACO.

In August 2009, the MPCA issued a decision adopting remedial options for the Company's Cottage Grove manufacturing facility. In the spring and summer of 2010, 3M began implementing the approved remedial options at the Cottage Grove and Woodbury sites, and in late 2010, 3M commenced the approved remedial option at the Oakdale site. The Company has completed remediation work and continues with operational and maintenance activities at the Oakdale and Woodbury sites. Remediation work has been substantially completed at the Cottage Grove site, with operational and maintenance activities ongoing.

In October 2021, the Company received information requests from MPCA seeking additional toxicological and other information related to certain PFAS compounds. The Company is cooperating with these inquiries and is producing documents and information in response to the requests.

In June 2022, MPCA directed that the Company address the presence of PFAS in its stormwater discharge from the Cottage Grove facility. The Company worked with MPCA to develop a plan to address its stormwater, which is embodied in an order issued by MPCA in December 2022.

In July 2024, MPCA published for public comment a draft Clean Water Act permit for the Cottage Grove facility that contains significantly revised effluent limits for certain PFAS in compounds in water discharged from the facility, some of which are below current limits of quantification for those compounds. 3M is engaging with the MPCA on the draft permit through the public comment period. The outcome of the Clean Water Act permit issuance process for the Cottage Grove facility could have a significant adverse impact on the facility's operations and the Company's businesses that receive products and other materials from the Cottage Grove facility, some of which may not be available or in similar quantities from other 3M facilities.

MPCA issued to the Company a Notice of Violation in March 2023, alleging that the Company is discharging stormwater containing PFAS at the 3M's facility in Hutchinson, Minnesota. The Company is working with MPCA regarding the allegations in the Notice of Violation.

As previously reported, in February 2020, the Company received an information request from EPA for documents and information related to, among other matters, the Company's compliance with the Clean Water Act at its facilities that manufacture, process, and use PFAS, including the Decatur, Cordova, and Cottage Grove facilities, and the Company has completed its production of responsive documents and information. The Company continues to work with relevant federal and state agencies (including EPA, the U.S. Department of Justice, state environmental agencies and state attorneys general) as it responds to information, inspection, and other requests from the agencies. The Company is in negotiations with EPA, the U.S. Department of Justice, and the Alabama, Illinois and Minnesota state environmental agencies to address claims arising under the CWA and the TSCA related to the Company's plants in those states. The Company cannot predict at this time the outcomes of resolving these compliance matters, what actions may be taken by the regulatory agencies or the potential consequences to the Company.

Other Environmental Matters

In July 2018, the Company, along with more than 120 other companies, was served with a complaint seeking cost recovery and contribution towards the cleaning up of approximately eight miles of the Lower Passaic River in New Jersey. The plaintiff, Occidental Chemical Corporation, alleges that it agreed to design and pay the estimated $165 million cost to remove and cap sediment containing eight chemicals of concern, including PCBs and dioxins. The complaint seeks to spread those costs among the defendants, including the Company. The Company's involvement in the case relates to its past use of two commercial drum conditioning facilities in New Jersey. Whether, and to what extent, the Company may be required to contribute to the costs at issue in the case remains to be determined.

As previously reported, in June 2020, the Company reported to EPA and MPCA that it had not fully complied with elements of the inspection, characterization and waste stream profile verification process of the Waste and Feedstream Analysis Plan (WAP/FAP) of its RCRA permit for its Cottage Grove incinerator. The Company and MPCA resolved the issues associated with the foregoing disclosure in a May 2022 stipulation agreement, and permanently retired the Cottage Grove hazardous waste incinerator in December 2021. In connection with the now closed incinerator, the Company in December 2022 received from EPA a draft Consent Agreement and Penalty Order under the Clean Air Act, with a proposed civil penalty to resolve issues raised in a Finding of Violation issued in 2019. The Company and EPA resolved this matter in which the Company has agreed to pay an administrative civil penalty.

Separately, the Cottage Grove facility received an Alleged Violation Letter from the MPCA in November 2023 following an inspection, alleging violations relating to materials shipped in 2023 to a hazardous waste disposal facility. The Cottage Grove facility had self-reported this information to the MPCA in September 2023. In December 2023, the Company provided a written response to the MPCA detailing what the Company believes to be the completion of all of the corrective actions identified in the Alleged Violation Letter (also including waste spills and container management). In February 2024, the MPCA issued an administrative penalty order to the Company providing for a penalty that was not material to the Company, which the Company paid.

In January 2024, the Company received an information request from U.S. EPA regarding an October 2023 reported release of 1,2-propylenimine at the Cottage Grove facility. The Company responded to the information request.

In July 2024, the Company received a Violation Notice from the Illinois EPA alleging regulatory violations related to certain air emissions of volatile organic material at the Cordova facility. The Company is evaluating the Violation Notice and cannot currently predict the outcome of this matter.

For environmental matters and litigation described above, unless otherwise described below, no liability has been recorded as the Company believes liability in those matters is not probable and reasonably estimable and the Company is not able to estimate a possible loss or range of possible loss at this time. The Company's environmental liabilities and insurance receivables are described below.

Environmental Liabilities and Insurance Receivables

The Company periodically examines whether the contingent liabilities related to the environmental matters and litigation described above are probable and reasonably estimable based on experience and ongoing developments in those matters, including discussions regarding negotiated resolutions. During the first six months of 2024, primarily as a result of interest accretion on the PWS Settlement, the Company increased its accrual for PFAS-related other environmental liabilities by $0.4 billion and made related payments of $0.1 billion. As of June 30, 2024, the Company had recorded liabilities of $11.3 billion for "other environmental liabilities." These amounts are reflected in the consolidated balance sheet within other current liabilities ($4.8 billion) and other liabilities ($6.5 billion). The accruals represent the Company's estimate of the probable loss in connection with the environmental matters and PFAS-related matters and litigation described above. The Company is not able to estimate a possible loss or range of possible loss in excess of the established accruals at this time.

As of June 30, 2024, the Company had recorded liabilities of $35 million for estimated non-PFAS related "environmental remediation" costs to clean up, treat, or remove hazardous substances at current or former 3M manufacturing or third-party sites. The Company evaluates available facts with respect to each individual site each quarter and records liabilities for remediation costs on an undiscounted basis when they are probable and reasonably estimable, generally no later than the completion of feasibility studies or the Company's commitment to a plan of action. Liabilities for estimated costs of environmental remediation, depending on the site, are based primarily upon internal or third-party environmental studies, and estimates as to the number, participation level and financial viability of any other potentially responsible parties, the extent of the contamination and the nature of required remedial actions. The Company adjusts recorded liabilities as further information develops or circumstances change. The Company expects that it will pay the amounts recorded over the periods of remediation for the applicable sites, currently ranging up to 20 years.

It is difficult to estimate the cost of environmental compliance and remediation given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternative cleanup methods. Developments may occur that could affect the Company's current assessment, including, but not limited to: (i) changes in the information available regarding the environmental impact of the Company's operations and products; (ii) changes in environmental regulations, changes in permissible levels of specific compounds in drinking water sources, or changes in enforcement theories and policies, including efforts to recover natural resource damages; (iii) new and evolving analytical and remediation techniques; (iv) success in allocating liability to other potentially responsible parties; and (v) the financial viability of other potentially responsible parties and third-party indemnitors. For sites included in both "environmental remediation liabilities" and "other environmental liabilities," at which remediation activity is largely complete and remaining activity relates primarily to operation and maintenance of the remedy, including required post-remediation monitoring, the Company believes the exposure to loss in excess of the amount accrued would not be material to the Company's consolidated results of operations or financial condition. However, for locations at which remediation activity is largely ongoing, the Company cannot estimate a possible loss or range of possible loss in excess of the associated established accruals for the reasons described above.

The Company has both pre-1986 general and product liability occurrence coverage and post-1985 occurrence reported product liability and other environmental coverage for environmental matters and litigation. As of June 30, 2024, the Company's receivables for insurance recoveries related to the environmental matters and litigation was not material. Various factors could affect the timing and amount of insurance recoveries, including (i) delays in or avoidance of payment by insurers; (ii) the extent to which insurers may become insolvent in the future, (iii) the outcome of negotiations with insurers, and (iv) the scope of the insurers' purported defenses and exclusions to avoid coverage.

Product Liability Litigation

Combat Arms Earplugs and Insurance Receivables

In December 2018, a military veteran filed an individual lawsuit against 3M in the San Bernardino Superior Court in California alleging that he sustained personal injuries while serving in the military caused by 3M's Dual-Ended Combat Arms Earplugs – Version 2, asserting claims of product liability and fraudulent misrepresentation and concealment, and seeking various damages.

In April 2019, the JPML granted motions to transfer and consolidate all cases pending in federal courts to the U.S. District Court for the Northern District of Florida to be managed in an MDL proceeding to centralize pre-trial proceedings. In December 2020, the court granted the plaintiffs' motion to consolidate three plaintiffs for the first bellwether trial, which began in March 2021.

Aearo Technologies sold Dual-Ended Combat Arms – Version 2 Earplugs starting in about 1999. 3M acquired Aearo Technologies in 2008 and sold these earplugs from 2008 through 2015, when the product was discontinued. 3M and Aearo Technologies believe the Combat Arms Earplugs were effective and safe when used properly, but nevertheless, as discussed below, prior to the CAE Settlement (as defined below), the Aearo Entities and 3M faced litigation from a significant number of claimants. As noted in the *Respirator Mask/Asbestos Litigation — Aearo Technologie*s section above, in July 2022, the Aearo Entities voluntarily initiated chapter 11 proceedings under the U.S. Bankruptcy Code seeking court supervision to establish a trust, funded by the Company, to efficiently and equitably satisfy all claims determined to be entitled to compensation associated with these matters and those described in the earlier section *Respirator Mask/Asbestos Litigation — Aearo Technologies*. 3M entered into an agreement with the Aearo Entities to fund this trust and to support the Aearo Entities in connection with the chapter 11 proceedings. 3M committed $1.0 billion to fund this trust and committed an additional $0.2 billion to fund projected related case expenses. Related to these actions, 3M reflected a pre-tax charge of $1.2 billion (within selling, general and administrative expenses), inclusive of fees and net of related existing accruals, in the second quarter of 2022.

As a result of the bankruptcy proceedings, 3M deconsolidated the Aearo Entities in the third quarter of 2022, resulting in a charge that was not material to 3M. Upon the filings in late July 2022 in the U.S Bankruptcy Court for the Southern District of Indiana, all litigation against Aearo Entities that filed chapter 11 cases was automatically stayed.

The Aearo Entities also requested that the Bankruptcy Court confirm that Combat Arms Earplugs litigation against the Company was also stayed or order it enjoined. In August 2022, the Bankruptcy Court denied Aearo's motion for a preliminary injunction to stay all Combat Arms related litigation against 3M. In December 2022, Aearo filed its opening brief with the Seventh Circuit appealing the bankruptcy court's decision. Oral argument took place in April 2023.

In February 2023, the plaintiffs filed with the Bankruptcy Court a motion to dismiss the bankruptcy filings of the Aearo Entities. In June 2023, the Bankruptcy Court granted the plaintiffs' motion to dismiss. As a result of this dismissal, the Court's previous stay on the Aearo Combat Arms and Aearo respirator mask/asbestos litigation was lifted. Aearo appealed the decision to the Seventh Circuit which accepted the direct appeal. Aearo's appeals of the Bankruptcy Court's preliminary injunction and motion to dismiss rulings are stayed as a result of the CAE Settlement (as defined below).

As a result of the June 2023 bankruptcy dismissal, 3M reconsolidated the former deconsolidated Aearo Entities, in the second quarter of 2023, resulting in an immaterial income statement impact.

Related to the dismissal of the bankruptcy, in May 2023, the federal and state MDL courts issued orders providing that mediation would resume. In August 2023, 3M and the Aearo Entities entered into a settlement arrangement (as amended, the “CAE Settlement”) which is structured to promote participation by claimants and is intended to resolve, to the fullest extent possible, all litigation and alleged claims involving the Combat Arms Earplugs sold or manufactured by the Aearo Entities and/or 3M, as well as potential future claims.

Pursuant to the CAE Settlement, 3M will contribute a total amount of $6.0 billion between 2023 and 2029. The actual amount, payment terms and dates are subject to satisfaction of certain participation thresholds claimants must meet, including that at least 98% of individuals with actual or potential litigation claims involving the Combat Arms Earplugs (calculated as described in the CAE Settlement) must have enrolled in the CAE Settlement and provided 3M with a full release of claims involving the Combat Arms Earplugs. The CAE Settlement was originally structured to include $5.0 billion in cash consideration and $1.0 billion in 3M common stock. The Company in its sole discretion could have elected to settle the equity portion in cash. In January 2024, 3M and the Aearo Entities amended the settlement to include, among other things, an irrevocable election by 3M to pay cash for the $1 billion in payments that could have been paid either in cash or in stock.

The CAE Settlement provides that 3M does not admit any liability or wrongdoing. As a result of the CAE Settlement, 3M recorded a pre-tax charge of $4.2 billion in the third quarter of 2023. The charge reflected the $5.3 billion pre-tax present value (discounted at an estimated 5.6% interest rate at time consummation) of contributions under the CAE Settlement net of 3M’s then-existing accrual of $1.1 billion related to this matter.

Implementation of the CAE Settlement terms began in September 2023, when 3M paid $10 million to fund administrative expenses connected to the settlement and paid $147 million in exchange for releases from the 13 bellwether plaintiffs that obtained a verdict against 3M and the Aearo defendants. The MDL court cases and Eleventh Circuit appeals for the 13 bellwether plaintiffs have all been dismissed consistent with the terms of the CAE Settlement. Further, all of the above-referenced Aearo's appeals from the bankruptcy court have also been dismissed by the Seventh Circuit Court of Appeals. 3M paid $250 million in December 2023 related to the receipt of expedited releases, and made a payment of an additional $253 million on January 31, 2024 based on 100% participation level of "wave" case claimants. On March 26, 2024, the Company announced that, as of the final registration date for the CAE settlement agreement, more than 99.9% of claimants are participating in the Settlement. Out of a total of more than 293,000 claims, more than 251,000 claimants have registered to participate in the Settlement. In addition, more than 41,000 claims have been dismissed by the courts administering the agreements. With the 98% participation threshold having been met, the Company made a $350 million payment on April 15, 2024, and a $750 million payment on July 15, 2024, pursuant to the payment schedule set forth in the settlement agreement. In addition, Aearo and the Company are actively engaged in insurance recovery activities to offset a portion of the settlement payments. Formal recovery processes are underway through a lawsuit filed in Delaware, as well as arbitration proceedings. In July 2024, the Delaware court, with respect to the motions for partial summary judgment regarding 3M and Aearo's claims for defense costs coverage, granted one motion and portion of another motion brought by the insurers. 3M and Aearo are assessing options, including potential appeal, and their insurance recovery proceedings in this case will continue, as will their separate insurance recovery arbitration proceedings, which are not impacted by this ruling.

In second quarter of 2024, the Company received $51 million for insurance recoveries related to the Combat Arms Earplugs litigation. As of June 30, 2024, the Company had a $72 million receivable for insurance recoveries related to the Combat Arms Earplugs litigation, payments for which were received in July 2024. Pursuant to the CAE Settlement, these insurance recoveries are provided to the Qualified Settlement Fund as part of the consideration for the settlement.

During the first six months of 2024, the Company increased its existing accrual for Combat Arms Earplugs by approximately $0.1 billion for interest accretion on the CAE Settlement and made the related payments noted above of approximately $0.6 billion. As of June 30, 2024, the Company had an accrued liability of $4.5 billion related to Combat Arms Earplugs. This amount is reflected within contingent liability claims and other ($2.2 billion within other current liabilities and $2.3 billion within other liabilities) on 3M’s consolidated balance sheet. The accruals represent the Company’s estimate of the probable loss in connection with the CAE Settlement. The Company is not able to estimate a possible loss or range of possible loss in excess of the established accruals at this time.

NOTE 18. Stock-Based Compensation

The Company’s annual stock option and restricted stock unit grant is typically made in February to provide a strong and immediate link between the performance of individuals during the preceding year and the size of their annual stock compensation grants. The grant to eligible employees uses the closing stock price on the grant date. Accounting rules require recognition of expense under a non-substantive vesting period approach, requiring compensation expense recognition when an employee is eligible to retire. Employees are considered eligible to retire at age 55 and after having completed ten years of service. This retiree-eligible population represents 34 percent of the annual grant stock-based compensation expense; therefore, higher stock-based compensation expense is typically recognized in the first quarter. However, due to the spin-off of Solventum (see Note 2), the 2024 annual grant was made in May, after the April 1, 2024 separation.

In addition to the annual grants, the Company makes other minor grants of stock options, restricted stock units and other stock-based grants. The Company issues cash settled restricted stock units and stock appreciation rights in certain countries. The cash settled grants do not result in the issuance of common stock and are considered immaterial by the Company, and not included in the tables below.

In connection with the Solventum separation on April 1, 2024 (see Note 2), all outstanding stock-based compensation awards associated with Solventum employees converted into Solventum awards, became Solventum's responsibility and were cancelled from 3M plans. The conversion into Solventum awards was made with the intent to preserve the intrinsic value of each award immediately before and after the Separation. In addition, for awards associated with remaining 3M employees, the number of shares underlying unvested stock awards was adjusted along with the exercise price and the number of shares underlying outstanding stock options. These adjustments were made with the intent to preserve the intrinsic value of each award immediately before and after the Separation and were determined using a ratio calculated using the 3M share price based on the market closing price before and the average of the closing price from the first three days of trading after the Separation. The terms of the outstanding awards remain the same and if unvested, continue to vest over the original vesting periods. The adjustments to shares underlying unvested stock awards and outstanding stock options did not result in a material stock-based compensation cost.

Stock-Based Compensation Expense: Amounts recognized in the financial statements with respect to stock-based compensation programs, which include stock options, restricted stock, restricted stock units, performance shares and the General Employees' Stock Purchase Plan (GESPP), are provided in the following table. Capitalized stock-based compensation amounts were not material.

	Three months ended June 30,		Six months ended June 30,	
(Millions)	**2024**	**2023**	**2024**	**2023**
Cost of sales	**$ 19**	$ 8	**$ 24**	$ 26
Selling, general and administrative expenses	**107**	21	**125**	100
Research, development and related expenses	**28**	6	**31**	29
Stock-based compensation expenses	**154**	35	**180**	155
Income tax benefits	**(33)**	(4)	**(14)**	(28)
Stock-based compensation expenses (benefits), net of tax	**$ 121**	$ 31	**$ 166**	$ 127

NOTE 19. Business Segments

3M's businesses are organized, managed and internally grouped into segments based on differences in markets, products, technologies and services. 3M manages its operations in three business segments: Safety and Industrial; Transportation and Electronics; and Consumer. 3M's three business segments bring together common or related 3M technologies, enhancing the development of innovative products and services and providing for efficient sharing of business resources. On April 1, 2024, 3M completed the previously announced separation of its Health Care business as a separate public company, Solventum (see Note 2 for additional information). 3M is an integrated enterprise characterized by substantial intersegment cooperation, cost allocations and inventory transfers. Therefore, management does not represent that these segments, if operated independently, would report the operating income information shown.

3M discloses business segment operating income (loss) as its measure of segment profit/loss, reconciled to both total 3M operating income (loss) and income before taxes. Business segment operating income (loss) excludes certain expenses and income that are not allocated to business segments (as described below in "Corporate and Unallocated and Other").

3M made certain changes to the composition of segment information reviewed by 3M's chief operating decision maker (CODM) effective in the second quarter of 2024 largely as a result of the separation of Solventum and changes within its business segments effective in the first quarter of 2024. Accordingly, information provided herein reflects the impact of these changes for all applicable periods presented.

Effective in the second quarter of 2024, this change included the following:

Elimination of former Health Care business segment

- The former Health Care business segment was eliminated in the second quarter of 2024 in connection with the separation of Solventum and reflection of its historical net income and applicable assets and liabilities included in the Separation as discontinued operations within 3M's financial statements.

Addition of ‘Other’ and update to ‘Corporate and Unallocated’

- 3M added the “Other” category of information as a result of the Separation. It principally reflects activity associated with:
    - Transition arrangement agreements (e.g. fees charged by 3M, net of underlying costs) related to divested businesses, including those related to the Separation, as well as other applicable divestitures.
    - Operations of businesses of the former Health Care segment divested prior to the Separation and therefore not reflected as discontinued operations within 3M's financial statements, along with limited-duration supply agreements with those previous divestitures.
- Activity included in 3M’s existing “Corporate and Unallocated” was updated primarily to additionally reflect:
    - Removal of costs related to separating and divesting Solventum that were eligible to be part of discontinued operations.
    - Commercial activity with Solventum post-Separation and certain operations of the former Health Care business segment retained by 3M.
    - Costs previously allocated to Solventum prior to the Separation that were not eligible to be part of discontinued operations other than those beginning in the first quarter of 2024 included in “Other” associated with transition arrangement activity for which 3M began to charge fees in April 2024.

In addition, effective in the first quarter of 2024, 3M made certain changes within its business segments as described below. While they impacted the composition of certain divisions within business segments, they did not change the overall composition of segments or the measure of segment operating performance used by 3M’s CODM.

Creation of Industrial Specialties division (within Safety and Industrial business segment) and Commercial Branding and Transportation division (within Transportation and Electronics business segment)

- 3M created the Industrial Specialties division within the Safety and Industrial business segment, which consists of the former Closure and Masking Systems division along with certain products formerly within the Industrial Adhesive and Tapes division and the Personal Safety division. Further, 3M created the Commercial Branding and Transportation division within the Transportation and Electronics business segment, which consists of the former Commercial Solutions division and the Transportation Safety division.

Re-alignment of divisions within Consumer business segment

- Within the Consumer business segment, the business re-aligned to the following four divisions: Consumer Safety and Well-Being, Home and Auto Care, Home Improvement, and Packaging and Expression.

Business Segment Information

Net Sales (Millions)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Safety and Industrial	**$ 2,759**	$ 2,765	**$ 5,491**	$ 5,544
Transportation and Electronics	**2,143**	2,191	**4,247**	4,241
Consumer	**1,263**	1,293	**2,403**	2,485
Corporate and Unallocated	**86**	22	**112**	45
Other	**4**	12	**18**	23
Total Company	**$ 6,255**	$ 6,283	**$ 12,271**	$ 12,338

Operating Performance (Millions) - income (loss)	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Safety and Industrial	**$ 612**	$ 534	**$ 1,269**	$ 1,135
Transportation and Electronics	**428**	410	**909**	704
Consumer	**219**	235	**435**	414
Corporate and Unallocated				
Corporate special items:				
Net costs for significant litigation	**(8)**	(10,357)	**(71)**	(10,439)
Divestiture costs	**(14)**	(1)	**(20)**	(4)
Russia exit (charges) benefits	**—**	18	**—**	18
Total corporate special items	**(22)**	(10,340)	**(91)**	(10,425)
Other corporate (expense) income - net	**(2)**	(207)	**(73)**	(339)
Total Corporate and Unallocated	**(24)**	(10,547)	**(164)**	(10,764)
Other	**37**	10	**(28)**	19
Total Company operating income (loss)	**1,272**	(9,358)	**2,421**	(8,492)
Other expense/(income), net	**(138)**	72	**82**	128
Income (loss) before income taxes	**$ 1,410**	$ (9,430)	**$ 2,339**	$ (8,620)

Corporate and Unallocated and Other: Outside of 3M's operating segments, 3M has Corporate and Unallocated and Other which are not reportable business segments as they do not meet the segment reporting criteria. Because Corporate and Unallocated and Other includes a variety of miscellaneous items, it is subject to fluctuation on a quarterly and annual basis.

- Corporate and Unallocated operating income (loss) includes “corporate special items” and “other corporate expense-net”.
  - Corporate special items include net costs for significant litigation impacting operating income (loss) associated with PFAS-related other environmental and Combat Arms Earplugs matters. In addition, during the voluntary chapter 11 bankruptcy period (which began in July 2022 and ended in June 2023—see Note 17), costs associated with the Aearo portion of respirator mask/asbestos matters were also included in corporate special items. Prior to the bankruptcy, costs associated with Combat Arms Earplugs matters were not included in the Corporate net costs for significant litigation special item, instead being reflected in the Safety and Industrial business segment. Corporate special items for the periods presented also include divestiture costs and Russia exit costs/benefits. Divestiture costs include costs that were not eligible to be part of discontinued operations related to separating and divesting substantially an entire business segment of 3M following public announcement of its intended divestiture.
  - Other corporate expense-net includes certain enterprise and governance activities resulting in unallocated corporate costs and other activity and net costs that 3M may choose not to allocate directly to its business segments. Other corporate expense-net also includes costs previously allocated to Solventum prior to the Separation that were not eligible to be part of discontinued operations, commercial activity with Solventum post-Separation, and certain operations of the former Health Care business segment retained by 3M.
- Other principally reflects activity associated with:
  - Operations of businesses of the former Health Care segment divested prior to the Separation and therefore not reflected as discontinued operations within 3M's financial statements, along with limited-duration supply agreements with those previous divestitures.
  - Transition arrangement agreements (e.g. fees charged by 3M, net of underlying costs) related to divested businesses, including those related to the Separation, as well as other applicable divestitures.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is designed to provide a reader of 3M's financial statements with a narrative from the perspective of management. 3M's MD&A is presented in the following sections:

- Overview
- Results of Operations
- Performance by Business Segment
- Financial Condition and Liquidity
- Cautionary Note Concerning Factors That May Affect Future Results

The term "N/M" used herein references "not meaningful" for certain percent changes.

Forward-looking statements in Part I, Item 2 may involve risks and uncertainties that could cause results to differ materially from those projected (refer to the section entitled *Cautionary Note Concerning Factors That May Affect Future Results* in Part I, Item 2 and the risk factors provided in Part II, Item 1A for discussion of these risks and uncertainties).

Overview

3M is a diversified global manufacturer, technology innovator and marketer of a wide variety of products and services. Certain changes are reflective in this document for all applicable periods presented. These include:

- As discussed in Note 2, on April 1, 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. As a result of the Separation, Solventum became an independent public company and 3M no longer consolidates Solventum into 3M's financial results. In connection with the Separation, the historical net income of Solventum and applicable assets and liabilities included in the Separation are reported in 3M's consolidated financial statements as discontinued operations.
- 3M made certain changes to the composition of segment information reviewed by 3M's chief operating decision maker (CODM) effective in the second quarter of 2024 largely as a result of the separation of Solventum and changes within its business segments effective in the first quarter of 2024 as further described in Note 19. To the extent these changes impacted 3M's disclosed disaggregated revenue information, data in Note 3 has also been updated.

3M manages its continuing operations in three operating business segments: Safety and Industrial; Transportation and Electronics; and Consumer. From a geographic perspective, any references to EMEA refer to Europe, Middle East and Africa on a combined basis. References are made to organic sales change (which include both organic volume impacts and selling price impacts), which is defined as the change in net sales, absent the separate impacts on sales from foreign currency translation and acquisitions, net of divestitures. Acquisition and divestiture sales change impacts, if any, are measured separately for the first twelve months post-transaction and, beginning April 2024, include the impact of commercial agreements associated with the separation of Solventum. 3M believes this information is useful to investors and management in understanding ongoing operations and in analysis of ongoing operating trends.

3M is impacted by certain special items such as costs for significant litigation and the sales and income associated with manufactured PFAS products. See *Certain amounts adjusted for special items - (non-GAAP measures)* section below for additional discussion of these and other special items, including references therein to where further information is provided.

Additional information regarding certain items impacting pre-2024 periods that may also be relevant in 2024 can be found in the Overview section of Part II, Item 7 as well as in further sections of 3M's 2023 Annual Report on Form 10-K.

Earnings (loss) from continuing operations per share attributable to 3M common shareholders – diluted: The following table provides the increases (decreases) in diluted earnings (loss) from continuing operations per share.

Earnings (loss) from continuing operations per diluted share	Three months ended June 30, 2024	Six months ended June 30, 2024
Same period last year	$ (12.94)	$ (11.76)
Net costs for significant litigation	14.43	14.51
Divestiture costs	—	0.01
Russia exit charges (benefits)	(0.04)	(0.04)
Manufactured PFAS products	(0.06)	(0.07)
Total special items	14.33	14.41
Same period last year, excluding special items	$ 1.39	$ 2.65
Increase/(decrease) due to:		
Total organic growth/productivity and other	0.18	0.78
Restructuring and related charges	0.23	0.13
Foreign exchange impacts	(0.04)	(0.10)
Acquisitions	0.03	0.05
Other expense (income), net	0.13	0.20
Income tax rate	0.01	(0.06)
Shares of common stock outstanding	—	(0.01)
Current period, excluding special items	1.93	3.64
Net costs for significant litigation	(0.44)	(0.88)
Divestiture costs	(0.23)	(0.24)
Pension risk transfer cost	(1.09)	(1.09)
Solventum ownership benefit from change in value	2.00	2.01
Total special items	0.24	(0.20)
Current period	$ 2.17	$ 3.44

The Company refers to various "adjusted" amounts or measures on an “adjusted" basis. These exclude special items. These non-GAAP measures are further described and reconciled to the most directly comparable GAAP financial measures in the *Certain amounts adjusted for special items - (non-GAAP measures)* section below.

A discussion related to the components of year-on-year changes in earnings (loss) from continuing operations per diluted share follows:

Total organic growth/productivity and other:

- For the second quarter of 2024, the following components impacted operating margins and earnings (loss) from continuing operations per diluted share year-on-year:
  - Timing of stock-based compensation grants to be incurred in the second quarter of 2024 versus the first quarter of 2023 due to Solventum spin (further discussed in "Results of Operations" section) resulted in a net year-on-year headwind of $0.18 per share.
  - Income from transition service agreements with Solventum (refer to Note 2 for additional discussion) resulted in a net year-on-year increase of $0.05 per share
  - Remaining organic growth/productivity and other impacts resulted in a net year-on-year increase of $0.31 per share which was impacted by the following:
    - Benefits from volume growth, productivity, spending discipline and restructuring
- For the first six months of 2024, the following components impacted operating margins and earnings (loss) from continuing operations per diluted share year-on-year:
  - Nonrecurring items including gain on property sales resulted in a net year-on-year increase of $0.08 per share.
  - Income from transition services agreements with Solventum (refer to Note 2 for additional discussion) resulted in a net year-on-year increase of $0.05 per share
  - Remaining organic growth/productivity and other impacts resulted in a net year-on-year increase of $0.65 per share which was impacted by the following:
    - Benefits from productivity, volume growth, sourcing actions, spending discipline and restructuring
    - Investments in growth, productivity, and sustainability

Restructuring and related charges:

- 3M recorded restructuring pre-tax charges of $35 million and $138 million in the second quarter and first six months of 2024, respectively, compared to $202 million and $252 million in the same periods last year, respectively, (refer to Note 6 for additional discussion). In addition, 3M recorded certain related accelerated depreciation.

Foreign exchange impacts:

- Foreign currency impacts (net of hedging) decreased operating income from continuing operations by approximately $24 million (or a decrease of pre-tax income from continuing operations by approximately $31 million) year-on-year for the second quarter of 2024 and decreased operating income from continuing operations by approximately $73 million (or a decrease of pre-tax income from continuing operations by approximately $82 million) year-on-year for the first six months of 2024. These estimates include: (a) the effects of year-on-year changes in exchange rates on translating current period functional currency profits into U.S. dollars and on current period non-functional currency denominated purchases or transfers of goods between 3M operations, and (b) year-on-year changes in transaction gains and losses, including derivative instruments designed to reduce foreign currency exchange rate risks.

Acquisitions/divestitures:

- Impacts relate to:
  - Divestiture impacts include the effect of new commercial agreements associated with the April 2024 separation of Solventum.
  - Reconsolidation of Aearo entities - in the third quarter of 2022, 3M deconsolidated the Aearo Entities and, in the second quarter of 2023, reconsolidated those entities (discussed in Note 17). For each of the 12-months post-deconsolidation and post-reconsolidation, impacts are each reflected separately as divestiture and acquisition, respectively.

Other expense (income), net:

- Interest expense (net of interest income) included in other expense (income), net as presented above decreased for the second quarter and first six months of 2024 compared to the same period year-on-year.
- Lower income related to non-service cost components of pension and postretirement expense increased expense year-on-year for the second quarter and first six months of 2024.

Income tax rate:

- Certain items above reflect specific income tax rates associated therewith. Overall, the effective tax rate for the second quarter of 2024 was 14.4 percent on a pre-tax income, compared to 24.0 percent on pre-tax loss in the prior year. The effective tax rate for the first six months of 2024 was 18.1 percent, compared to 24.6 percent in the prior year. The primary factors that impacted the comparison of these rates year-over -year were the second quarter 2023 charge related to the settlement agreement with public water systems in the United States regarding PFAS (see Note 17) and the tax rate associated with second quarter 2024 benefit related to the change in value of the retained ownership interest in Solventum.
- On an adjusted basis (as discussed below), the effective tax rate for the second quarter and first six months of 2024 was 19.1% and 19.9%, respectively, a decrease of 0.4 percentage points and an increase of 1.2 percentage points, respectively, compared to the same period year-on-year.

Shares of common stock outstanding:

- Shares outstanding did not significantly impact earnings (loss) from continuing operations per share year-on-year for the second quarter and first six months of 2024.

Certain amounts adjusted for special items - (non-GAAP measures): In addition to reporting financial results in accordance with U.S. GAAP, 3M also provides certain non-GAAP measures. These measures are not in accordance with, nor are they a substitute for GAAP measures, and may not be comparable to similarly titled measures used by other companies.

Certain measures adjust for the impacts of special items. Special items for the periods presented include the items described in the section entitled "Description of special items". Because 3M provides certain information with respect to business segments, it is noteworthy that special items impacting operating income (loss) are reflected in Corporate and Unallocated, except as described with respect to net costs for significant litigation and manufactured PFAS products items in the "Description of special items" section. The reconciliations below, therefore, also include impacted segments as applicable.

This document contains measures for which 3M provides the reported GAAP measure and a non-GAAP measure adjusted for special items. The document also contains additional measures which are not defined under U.S. GAAP. These measures and reasons 3M believes they are useful to investors (and, as applicable, used by 3M) include:

GAAP amounts for which a measure adjusted for special items is also provided:	**Reasons 3M believes the measure is useful**
• Net sales (and sales change) • Operating income (loss), segment operating income (loss) and operating income (loss) margin • Income (loss) from continuing operations before taxes • Provision for income taxes and effective tax rate • Net income (loss) from continuing operations • Earnings (loss) per share from continuing operations	Considered, in addition to segment operating performance, in evaluating and managing operations; useful in understanding underlying business performance, provides additional transparency to special items

Special items for the periods presented include:

Net costs for significant litigation:

- These relate to 3M's respirator mask/asbestos (which include Aearo and non-Aearo items), PFAS-related other environmental, and Combat Arms Earplugs matters (as discussed in Note 17). Net costs include the impacts of changes in accrued liabilities (including interest imputation on applicable settlement obligations), external legal fees, and insurance recoveries, along with the associated tax impacts. Associated tax impacts of significant litigation include impacts on Foreign Derived Intangible Income (FDII), Global Intangible Low Taxed Income (GILTI), and foreign tax credits. 3M does not consider the elements of the net costs associated with these matters to be normal, operating expenses related to the Company's ongoing operations, revenue generating activities, business strategy, industry, and regulatory environment. Net costs related to respirator mask/asbestos are reflected as special items in the Safety and Industrial business segment while those impacting operating income (loss) associated with PFAS-related other environmental and Combat Arms Earplugs matters are reflected as corporate special items in Corporate and Unallocated. In addition, during the voluntary chapter 11 bankruptcy period (which began in July 2022 and ended in June 2023—see Note 17), costs associated with the Aearo portion of respirator mask/asbestos matters were reflected in corporate special items in Corporate and Unallocated. Prior to the bankruptcy, costs associated with Combat Arms Earplugs matters were reflected as part of special items in the Safety and Industrial business segment.

Divestiture costs:

- These include certain limited costs that were not eligible to be included within discontinued operations related to separating and divesting substantially an entire business segment of 3M following public announcement of its intended divestiture. As a result of completion of the April 2024 separation of Solventum, this includes the tax cost of update to 3M's previous indefinite reinvestment plans on past unrepatriated earnings through the period of the Separation's close and to tax positions retained by 3M.

Manufactured PFAS products:

- These amounts relate to sales and estimates of income (loss) regarding manufactured PFAS products that 3M plans to exit by the end of 2025 included within the Transportation and Electronics business segment. Along with other costs in arriving at this associated income, these amounts include estimates of costs of sales of $186 million and $233 million for the three months ended June 30, 2024 and 2023, respectively, and $416 million and $509 million for the six months ended June 30, 2024 and 2023, respectively. Estimated income does not contemplate impacts on non-operating items such as net interest income/expense and the non-service cost components portion of defined benefit plan net periodic benefit costs.

Russia exit charges/benefits:

- In the second quarter of 2023, 3M recorded a gain on final disposal of net assets in Russia. Previously, in the third quarter of 2022, 3M recorded a charge primarily related to impairment of these assets in connection with management's committed exit and disposal plan.

Pension risk transfer charge:

- In the second quarter of 2024, 3M recorded a non-cash pension settlement charge reflected in other expense (income), net as a result of transferring a portion of its U.S. pension payment obligations and related plan assets to an insurance company (as discussed in Note 13).

Solventum ownership - change in value:

- This amount relates to the change in value of 3M's retained ownership interest in Solventum common stock reflected in other expense (income), net.

	Three months ended June 30, 2023							
(Dollars in millions, except per share amounts)	Net sales	Operating income (loss)	Operating income (loss) margin	Income (loss) from continuing operations before taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss) from continuing operations attributable to 3M	Earnings (loss) from continuing operations per diluted share
Safety and Industrial								
GAAP amounts		$ 534	19.3 %					
Adjustments for special items:								
Net costs for significant litigation		80						
Total special items		80						
Adjusted amounts (non-GAAP measures)		$ 614	22.2 %					
Transportation and Electronics								
GAAP amounts	$ 2,191	$ 410	18.7 %					
Adjustments for special items:								
Manufactured PFAS products	(332)	(41)						
Total special items	(332)	(41)						
Adjusted amounts (non-GAAP measures)	$ 1,859	$ 369	19.8 %					
Total Company								
GAAP amounts	$ 6,283	$ (9,358)	(148.9)%	$ (9,430)	$ (2,261)	24.0 %	$ (7,171)	$ (12.94)
Adjustments for special items:								
Net costs for significant litigation[3]	—	10,437		10,449	2,457		7,992	14.43
Manufactured PFAS products	(332)	(41)		(41)	(10)		(31)	(0.06)
Russia exit charges (benefits)	—	(18)		(18)	3		(21)	(0.04)
Divestiture costs	—	1		1	—		1	—
Total special items	(332)	10,379		10,391	2,450		7,941	14.33
Adjusted amounts (non-GAAP measures)	$ 5,951	$ 1,021	17.2 %	$ 961	$ 189	19.5 %	$ 770	$ 1.39

[3]For the per share amount, this includes adjusting-out the impact of this item causing weighted average shares outstanding to be the same for both basic and diluted loss per share in periods of resulting net losses.

(Dollars in millions, except per share amounts)	Three months ended June 30, 2024 Net sales	Sales change	Operating income (loss)	Operating income (loss) margin	Income (loss) from continuing operations before taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss) from continuing operations attributable to 3M	Earnings (loss) from continuing operations per diluted share	Earnings (loss) from continuing operations per diluted share percent change
Safety and Industrial										
GAAP amounts			$ 612	22.2 %						
Adjustments for special items:										
Net costs for significant litigation			11							
Total special items			11							
Adjusted amounts (non-GAAP measures)			$ 623	22.6 %						
Transportation and Electronics										
GAAP amounts	$ 2,143	(2.2)%	$ 428	20.0 %						
Adjustments for special items:										
Manufactured PFAS products	(236)		(2)							
Total special items	(236)		(2)							
Adjusted amounts (non-GAAP measures)	$ 1,907	2.6 %	$ 426	22.3 %						
Total Company										
GAAP amounts	$ 6,255	(0.5)%	$ 1,272	20.3 %	$ 1,410	$ 203	14.4 %	$ 1,204	$ 2.17	117 %
Adjustments for special items:										
Net costs for significant litigation	—		19		221	(25)		246	0.44	
Manufactured PFAS products	(236)		(2)		(2)	(1)		(1)	—	
Divestiture costs	—		14		14	(113)		127	0.23	
Solventum ownership - change in value	—		—		(1,113)	—		(1,113)	(2.00)	
Pension risk transfer charge	—		—		795	188		607	1.09	
Total special items	(236)		31		(85)	49		(134)	(0.24)	
Adjusted amounts (non-GAAP measures)	$ 6,019	1.1 %	$ 1,303	21.6 %	$ 1,325	$ 252	19.1 %	$ 1,070	$ 1.93	39 %

Sales Change	Three months ended June 30, 2024 Organic sales	Acquisitions	Divestitures	Translation	Total sales change
Total Company	(0.3)%	0.4 %	0.8 %	(1.4)%	(0.5)%
Remove manufactured PFAS products special item impact	1.5	—	0.1	—	1.6
Adjusted total Company (non-GAAP measures)	1.2 %	0.4 %	0.9 %	(1.4)%	1.1 %
Transportation and Electronics	(1.3)%	1.0 %	— %	(1.9)%	(2.2)%
Remove manufactured PFAS products special item impact	4.6	0.1	—	0.1	4.8
Adjusted Transportation and Electronics (non-GAAP measures)	3.3 %	1.1 %	— %	(1.8)%	2.6 %

(Dollars in millions, except per share amounts)	Net sales	Operating income (loss)	Operating income (loss) margin	Income (loss) from continuing operations before taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss) from continuing operations attributable to 3M	Earnings (loss) from continuing operations per diluted share
	Six months ended June 30, 2023							
Safety and Industrial								
GAAP amounts		$ 1,135	20.5 %					
Adjustments for special items:								
Net costs for significant litigation		41						
Total special items		41						
Adjusted amounts (non-GAAP measures)		$ 1,176	21.2 %					
Transportation and Electronics								
GAAP amounts	$ 4,241	$ 704	16.6 %					
Adjustments for special items:								
Manufactured PFAS products	(677)	(51)						
Total special items	(677)	(51)						
Adjusted amounts (non-GAAP measures)	$ 3,564	$ 653	18.3 %					
Total Company								
GAAP amounts	$ 12,338	$ (8,492)	(68.8)%	$ (8,620)	$ (2,116)	24.6 %	$ (6,509)	$ (11.76)
Adjustments for special items:								
Net costs for significant litigation[3]	—	10,480		10,492	2,464		8,028	14.51
Manufactured PFAS products	(677)	(51)		(51)	(13)		(38)	(0.07)
Russia exit charges (benefits)	—	(18)		(18)	3		(21)	(0.04)
Divestiture costs	—	4		4	—		4	0.01
Total special items	(677)	10,415		10,427	2,454		7,973	14.41
Adjusted amounts (non-GAAP measures)	$ 11,661	$ 1,923	16.5 %	$ 1,807	$ 338	18.7 %	$ 1,464	$ 2.65

(Dollars in millions, except per share amounts)	Net sales	Sales change	Operating income (loss)	Operating income (loss) margin	Income (loss) from continuing operations before taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss) from continuing operations attributable to 3M	Earnings (loss) from continuing operations per diluted share	Earnings (loss) from continuing operations per diluted share percent change
	Six months ended June 30, 2024									
Safety and Industrial										
GAAP amounts			**$ 1,269**	**23.1 %**						
Adjustments for special items:										
Net costs for significant litigation			**18**							
Total special items			**18**							
Adjusted amounts (non-GAAP measures)			**$ 1,287**	**23.4 %**						
Transportation and Electronics										
GAAP amounts	**$ 4,247**	**0.2 %**	**$ 909**	**21.4 %**						
Adjustments for special items:										
Manufactured PFAS products	**(517)**		**(4)**							
Total special items	**(517)**		**(4)**							
Adjusted amounts (non-GAAP measures)	**$ 3,730**	**4.7 %**	**$ 905**	**24.3 %**						
Total Company										
GAAP amounts	**$ 12,271**	**(0.5)%**	**$ 2,421**	**19.7 %**	**$ 2,339**	**$ 423**	**18.1 %**	**$ 1,909**	**$ 3.44**	**129 %**
Adjustments for special items:										
Net costs for significant litigation	**—**		**89**		**495**	**6**		**489**	**0.88**	
Manufactured PFAS products	**(517)**		**(4)**		**(4)**	**(2)**		**(2)**	**—**	
Divestiture costs	**—**		**20**		**20**	**(111)**		**131**	**0.24**	
Solventum ownership - change in value	**—**		**—**		**(1,113)**	**—**		**(1,113)**	**(2.01)**	
Pension risk transfer charge	**—**		**—**		**795**	**188**		**607**	**1.09**	
Total special items	**(517)**		**105**		**193**	**81**		**112**	**0.20**	
Adjusted amounts (non-GAAP measures)	**$ 11,754**	**0.8 %**	**$ 2,526**	**21.5 %**	**$ 2,532**	**$ 504**	**19.9 %**	**$ 2,021**	**$ 3.64**	**38 %**

Sales Change	Six months ended June 30, 2024 Organic sales	Acquisitions	Divestitures	Translation	Total sales change
Total Company	(0.3)%	0.4 %	0.4 %	(1.0)%	(0.5)%
Remove manufactured PFAS products special item impact	1.3	—	—	—	1.3
Adjusted total Company (non-GAAP measures)	1.0 %	0.4 %	0.4 %	(1.0)%	0.8 %
Transportation and Electronics	0.6 %	1.2 %	— %	(1.6)%	0.2 %
Remove manufactured PFAS products special item impact	4.3	0.2	—	—	4.5
Adjusted Transportation and Electronics (non-GAAP measures)	4.9 %	1.4 %	— %	(1.6)%	4.7 %

Sales and operating income (loss) by business segment: The following tables contain sales and operating income (loss) results by business segment for the three and six months ended June 30, 2024 and 2023. Refer to the section entitled *Performance by Business Segment* later in MD&A for additional discussion concerning 2024 versus 2023 results, including Corporate and Unallocated and Other. Corporate and Unallocated and Other are not reportable business segments as they do not meet the segment reporting criteria. Refer to Note 19 for additional information on business segments.

	Three months ended June 30,					
	2024		2023		% change	
(Dollars in millions)	Net Sales	Operating Income (Loss)	Net Sales	Operating Income (Loss)	Net Sales	Operating Income (Loss)
Safety and Industrial	**$ 2,759**	**$ 612**	$ 2,765	$ 534	**(0.2) %**	**14.4 %**
Transportation and Electronics	**2,143**	**428**	2,191	410	**(2.2)**	**4.6**
Consumer	**1,263**	**219**	1,293	235	**(2.4)**	**(6.7)**
Corporate and Unallocated	**86**	**(24)**	22	(10,547)		
Other	**4**	**37**	12	10		
Total Company	**$ 6,255**	**$ 1,272**	$ 6,283	$ (9,358)	**(0.5) %**	**N/M**

	Six months ended June 30,					
	2024		2023		% change	
(Dollars in millions)	Net Sales	Operating Income (Loss)	Net Sales	Operating Income (Loss)	Net Sales	Operating Income (Loss)
Safety and Industrial	**$ 5,491**	**$ 1,269**	$ 5,544	$ 1,135	**(0.9) %**	**11.7 %**
Transportation and Electronics	**4,247**	**909**	4,241	704	**0.2**	**29.2**
Consumer	**2,403**	**435**	2,485	414	**(3.3)**	**5.2**
Corporate and Unallocated	**112**	**(164)**	45	(10,764)		
Other	**18**	**(28)**	23	19		
Total Company	**$ 12,271**	**$ 2,421**	$ 12,338	$ (8,492)	**(0.5) %**	**N/M**

Worldwide Sales Change By Business Segment	Three months ended June 30, 2024 Organic sales	Acquisitions	Divestitures	Translation	Total sales change
Safety and Industrial	1.1 %	— %	— %	(1.3) %	(0.2) %
Transportation and Electronics	(1.3)	1.0	—	(1.9)	(2.2)
Consumer	(1.4)	—	—	(1.0)	(2.4)

Worldwide Sales Change By Business Segment	Six months ended June 30, 2024 Organic sales	Acquisitions	Divestitures	Translation	Total sales change
Safety and Industrial	(0.2) %	— %	— %	(0.7) %	(0.9) %
Transportation and Electronics	0.6	1.2	—	(1.6)	0.2
Consumer	(2.6)	—	—	(0.7)	(3.3)

Refer to the *Certain amounts adjusted for special items - (non-GAAP measures)* section for additional details on the impact of special items on sales (and sales change) and operating income (loss) by business segment.

Sales by geographic area: Percent change information compares the three and six months ended June 30, 2024 with the same prior year period, unless otherwise indicated. Additional discussion of business segment results is provided in the *Performance by Business Segment* section.

	Three months ended June 30, 2024			
	Americas	Asia Pacific	Europe, Middle East & Africa	Worldwide
Net sales (millions)	$ 3,480	$ 1,721	$ 1,054	$ 6,255
% of worldwide sales	55.7 %	27.5 %	16.8 %	100.0 %
Components of net sales change:				
Organic sales	0.7	0.6	(4.6)	(0.3)
Acquisitions	0.5	0.2	—	0.4
Divestitures	1.6	0.1	0.1	0.8
Translation	(0.3)	(4.0)	(0.7)	(1.4)
Total sales change	2.5 %	(3.1) %	(5.2) %	(0.5) %

	Six months ended June 30, 2024			
	Americas	Asia Pacific	Europe, Middle East & Africa	Worldwide
Net sales (millions)	$ 6,630	$ 3,489	$ 2,152	$ 12,271
% of worldwide sales	54.0 %	28.5 %	17.5 %	100.0 %
Components of net sales change:				
Organic sales	(0.6)	1.1	(1.6)	(0.3)
Acquisitions	0.7	0.1	—	0.4
Divestitures	0.8	—	(0.1)	0.4
Translation	0.1	(4.0)	0.4	(1.0)
Total sales change	1.0 %	(2.8) %	(1.3) %	(0.5) %

Additional information beyond what is included in the preceding tables are as follows:

- For the second quarter of 2024, in the Americas geographic area, U.S. total sales increased 3 percent which included increased organic sales of 1 percent. Total sales in Mexico increased 12 percent which included increased organic sales of 6 percent. In Canada, total sales increased 3 percent which included increased organic sales of 3 percent. In Brazil, total sales decreased 3 percent which included increased organic sales of 2 percent. In the Asia Pacific geographic area, China total sales increased 8 percent which included increased organic sales of 10 percent. In Japan, total sales decreased 14 percent which included decreased organic sales of 4 percent.
- For the first six months of 2024, in the Americas geographic area, U.S. total sales increased 1 percent which included flat organic sales. Total sales in Mexico increased 12 percent which included increased organic sales of 4 percent. In Canada, total sales increased 1 percent which included flat organic sales. In Brazil, total sales decreased 2 percent which included decreased organic sales of 2 percent. In the Asia Pacific geographic area, China total sales increased 8 percent which included increased organic sales of 10 percent. In Japan, total sales decreased 13 percent which included decreased organic sales of 4 percent.

Financial condition: Refer to the section entitled *Financial Condition and Liquidity* later in MD&A for a discussion of items impacting cash flows.

In November 2018, 3M's Board of Directors replaced the Company's February 2016 repurchase program with a new repurchase program. This new program authorizes the repurchase of up to $10 billion of 3M's outstanding common stock, with no pre-established end date. In the first six months of 2024, the Company purchased $421 million of its own stock, compared to $29 million of stock purchases in the first six months of 2023. As of June 30, 2024, approximately $3.8 billion remained available under the authorization. In February 2024, 3M's Board of Directors declared a first-quarter 2024 dividend of $1.51 per share. In May 2024, 3M's Board of Directors declared a second-quarter 2024 dividend of $0.70 per share resetting 3M's dividend post-Solventum spin.

Results of Operations

Net Sales: Refer to the preceding *Overview* section and the *Performance by Business Segment* section later in MD&A for additional discussion of sales change.

Operating Expenses:

(Percent of net sales)	Three months ended June 30,			Six months ended June 30,		
	2024	2023	Change	2024	2023	Change
Cost of sales	**57.1 %**	59.3 %	**(2.2)%**	**57.5 %**	60.6 %	**(3.1)%**
Selling, general and administrative expenses (SG&A)	**18.1**	184.9	**(166.8)**	**18.4**	103.4	**(85.0)**
Research, development and related expenses (R&D)	**4.5**	4.7	**(0.2)**	**4.4**	4.8	**(0.4)**
Operating income (loss) margin	**20.3 %**	(148.9)%	**169.2 %**	**19.7 %**	(68.8)%	**88.5 %**

Stock compensation expense was $154 million and $35 million for the second quarter of 2024 and 2023, respectively, and $180 million and $155 million for the six months ended 2024 and 2023, respectively, which impacts cost of sales; selling, general and administrative expenses (SG&A); and research, development and related expenses (R&D). The Company's annual stock option and restricted stock unit grant is typically made in February. As discussed in Note 18, because of certain accounting rules, grants to employees that are retiree-eligible are essentially fully reflected as compensation at time of grant. This retiree-eligible population generally represents approximately 34 percent of the annual grant stock-based compensation expense; therefore, higher stock-based compensation expense is typically recognized in the first quarter. However, due to the spin-off of Solventum (see Note 2), the 2024 annual grant was made in May, after the April 1, 2024 separation.

Defined benefit pension and postretirement service cost expense for continuing operations (which impacts cost of sales, SG&A, and R&D) for the first six months of 2024 was $48 million compared to $56 million in same period last year (as discussed in Note 13). For total year 2024, considering the remeasurements of U.S. pension and postretirement pension plans and second quarter 2024 $795 million pension settlement charge associated the pension risk transfer special item (all discussed in Note 13), 3M estimates full year 2024 continuing operations defined benefit pension and postretirement service cost expense to total approximately $195 million while continuing operations non-service pension and postretirement net benefit cost is anticipated to be a charge of approximately $810 million, for a total estimated continuing operations consolidated defined benefit pre-tax pension and postretirement expense of approximately $1,005 million. These amounts reflect a decrease of $27 million and an increase of $918 million in the service and non-service cost components, respectively, compared to 2023 on similar basis as discussed below

For total year 2023 on a comparable continuing operations basis, the Company recognized defined benefit pension and postretirement service cost expense of $222 million and a benefit of $108 million related to all non-service pension and postretirement net benefit costs (after settlements, curtailments, special termination benefits and other) for a total continuing operations defined benefit pension and postretirement expense of $114 million.

For 2025, 3M preliminarily expects a year-on-year non-service pension and postretirement expense tailwind of approximately $720 million, primarily as a result of the second quarter 2024 pension risk transfer charge special item (see Note 13 and section entitled "Description of special items"). Adjusting for this 2024 special item, 3M expects a year-on-year headwind of approximately $70 million primarily due to amortization of prior service costs and impacts from previously deferred asset losses. These estimates are based on assumptions from 3M's most recent remeasurements of applicable plans carrying over to the year-end 2024 measurement.

The Company continues to make investments in the implementation of new business systems and solutions, including enterprise resource planning, with these investments impacting cost of sales, SG&A, and R&D.

Cost of Sales: Cost of sales, measured as a percent of sales, decreased in the second quarter and first six months of 2024 when compared to the same period last year. Decreases were primarily due to ongoing manufacturing productivity initiatives and lower raw materials and energy costs, along with lower year-on-year restructuring charges. In the second quarter of 2024, these decreases were partially offset by timing of stock-based compensation grants.

Selling, General and Administrative Expenses: SG&A, measured as a percent of sales, decreased in the second quarter and first six months of 2024 when compared to the same period last year. Decreases were primarily impacted by a $10.3 billion pre-tax charge related to the PWS settlement in the second quarter of 2023 (discussed in Note 17). SG&A in 2024 was impacted by lower year-on-year restructuring charges and the second quarter 2024 timing of stock-based compensation grants.

Research, Development and Related Expenses: R&D, measured as a percent of sales, slightly decreased in the second quarter and first six months of 2024 when compared to the same period last year. 3M continues to invest in a range of R&D activities from application development, product and manufacturing support, product development and technology development aimed at disruptive innovations.

Other Expense (Income), Net: See Note 7 for a detailed breakout of this line item.

Interest expense (net of interest income) increased in the second quarter and first six months of 2024 compared to the same period year-on-year primarily driven by the addition of imputed interest associated with the obligations resulting from the PWS Settlement and the CAE Settlement in the second and third quarter of 2023 respectively (discussed in Note 17).

The non-service pension and postretirement net benefit decreased approximately $821 million and $836 million in the second quarter and first six months of 2024, respectively, compared to the same period year-on-year, largely due to the $795 million second quarter 2024 pension settlement charge as a result of transferring a portion of U.S. pension payment obligations and related plan assets to an insurance company (see Note 13).

Solventum ownership - change in value resulted in a year-on-year benefit of $1.1 billion for both second quarter and first six months of 2024 following Solventum's separation from 3M in April 2024 (discussed in Note 2).

Provision (benefit) for Income Taxes:

	Three months ended June 30,		Six months ended June 30,	
(Percent of pre-tax income/loss)	**2024**	**2023**	**2024**	**2023**
Effective tax rate	**14.4 %**	24.0 %	**18.1 %**	24.6 %

Factors that impacted the tax rates between years are further discussed in the *Overview* section above and in Note 9.

Income from Unconsolidated Subsidiaries, Net of Taxes:

	Three months ended June 30,		Six months ended June 30,	
(Millions)	**2024**	**2023**	**2024**	**2023**
Income (loss) from unconsolidated subsidiaries, net of taxes	**$ 3**	$ 3	**$ 4**	$ 5

Income (loss) from unconsolidated subsidiaries, net of taxes, is attributable to the Company's accounting under the equity method for ownership interests in certain entities.

Net Income (Loss) Attributable to Noncontrolling Interest:

	Three months ended June 30,		Six months ended June 30,	
(Millions)	**2024**	**2023**	**2024**	**2023**
Net income (loss) attributable to noncontrolling interest	**$ 6**	$ 5	**$ 11**	$ 10

Net income (loss) attributable to noncontrolling interest represents the elimination of the income or loss attributable to non-3M ownership interests in 3M consolidated entities. The primary noncontrolling interest relates to 3M India Limited, of which 3M's effective ownership is 75 percent.

Significant Accounting Policies: Information regarding new accounting standards is included in Note 1 to the Consolidated Financial Statements.

Performance by Business Segment

Item 1, Business Segments, provides an overview of 3M's business segments. In addition, disclosures relating to 3M's business segments are provided in Note 19. As discussed in Note 19, 3M made changes to the composition of segment information reviewed by 3M's chief operating decision maker (CODM) effective in the second quarter of 2024 largely as a result of the separation of Solventum and changes within its business segments effective in the first quarter of 2024. Information provided herein reflects the impact of these changes for all applicable periods presented. 3M manages its continuing operations in three business segments. The reportable segments are Safety and Industrial; Transportation and Electronics; and Consumer.

Corporate and Unallocated and Other: Outside of 3M's operating segments, 3M has Corporate and Unallocated and Other which are not reportable business segments as they do not meet the segment reporting criteria. Because Corporate and Unallocated and Other include a variety of miscellaneous items, they are subject to fluctuation on a quarterly and annual basis. Corporate and Unallocated and Other are presented separately in the preceding business segments table and in Note 19.

- Corporate and Unallocated operating income (loss) includes "corporate special items" and "other corporate expense-net".
  - Corporate special items include net costs for significant litigation impacting operating income (loss) associated with PFAS-related other environmental and Combat Arms Earplugs matters. In addition, during the voluntary chapter 11 bankruptcy period (which began in July 2022 and ended in June 2023—see Note 17), costs associated with the Aearo portion of respirator mask/asbestos matters were also included in corporate special items. Prior to the bankruptcy, costs associated with Combat Arms Earplugs matters were not included in the Corporate net costs for significant litigation special item, instead being reflected in the

Safety and Industrial business segment. Corporate special items for the periods presented also include divestiture costs and Russia exit costs/ benefits. Divestiture costs include costs that were not eligible to be part of discontinued operations related to separating and divesting substantially an entire business segment of 3M following public announcement of its intended divestiture.

   - Refer to the *Certain amounts adjusted for special items - (non-GAAP measures)* section for additional details on the impact of special items and to Note 19 for additional information on the components of corporate special items. Corporate special item net costs decreased year-over-year primarily due to lower net costs for significant litigation associated with Corporate and Unallocated.

 - Other corporate expense-net includes certain enterprise and governance activities resulting in unallocated corporate costs and other activity and net costs that 3M may choose not to allocate directly to its business segments. Other corporate expense-net also includes costs previously allocated to Solventum prior to the Separation that were not eligible to be part of discontinued operations, commercial activity with Solventum post-Separation, and certain operations of the former Health Care business segment retained by 3M.
   - Other corporate operating expenses, net, decreased year-over-year in the second quarter and first six months of 2024 primarily due to lower pre-tax restructuring charges (see Note 6).

- Other:
  - This category principally reflects activity associated with:
    - Operations of businesses of the former Health Care segment divested prior to the Separation and therefore not reflected as discontinued operations within 3M's financial statements, along with limited-duration supply agreements with those previous divestitures.
    - Transition arrangement agreements (e.g. fees charged by 3M, net of underlying costs) related to divested businesses, including those related to the Separation, as well as other applicable divestitures.
  - Operating income categorized as "Other" increased year-over-year in the second quarter of 2024 and decreased year-over-year in the first six months of 2024 primarily due to the extent of transition arrangement income from divested businesses.

Operating Business Segments: Information related to 3M’s business segments is presented in the tables that follow with additional context in the corresponding narrative below the tables.

Refer to 3M's 2023 Annual Report on Form 10-K, Item 1, Business, for discussion of 3M products that are included in each business segment.

Safety and Industrial Business:

	Three months ended June 30,		Six months ended June 30,	
	2024	**2023**	**2024**	**2023**
Sales (millions)	**$ 2,759**	$ 2,765	**$ 5,491**	$ 5,544
Sales change analysis:				
Organic sales	**1.1 %**		**(0.2) %**	
Translation	**(1.3)**		**(0.7)**	
Total sales change	**(0.2) %**		**(0.9) %**	
Business segment operating income (millions)	**$ 612**	$ 534	**$ 1,269**	$ 1,135
Percent change	**14.4 %**		**11.7 %**	
Percent of sales	**22.2 %**	19.3 %	**23.1 %**	20.5 %
Adjusted business segment operating income (millions) (non-GAAP measure)	**$ 623**	$ 614	**$ 1,287**	$ 1,176
Percent change	**1.4 %**		**9.4 %**	
Percent of sales	**22.6 %**	22.2 %	**23.4 %**	21.2 %

The preceding table also displays business segment operating income (loss) information adjusted for special items. For Safety and Industrial these adjustments include net costs related to respirator mask/asbestos (Aearo-related and non-Aearo related). During the voluntary Aearo chapter 11 bankruptcy period (which began in July 2022 and ended in June 2023 —see Note 17), net costs related to Aearo-respirator mask/asbestos matters were reflected as corporate special items in Corporate and Unallocated while those associated with non-Aearo respirator mask/asbestos matters continued to be reflected as special items in the Safety and Industrial business segment. Prior to the bankruptcy, costs associated with Combat Arms Earplugs matters were reflected in the Safety and Industrial business segment (rather than reflected in Corporate and Unallocated—see Note 19 for additional information). Refer to the *Certain amounts adjusted for special items - (non-GAAP measures)* section for additional details.

Second quarter 2024 results:

Sales in Safety and Industrial were down 0.2 percent in U.S. dollars.

On an organic sales basis:
- Sales increased in industrial adhesives and tapes, personal safety, and automotive aftermarket, were flat in electrical markets and roofing granules, and decreased in industrial specialties and abrasives.
- Growth primarily came from industrial adhesives and tapes driven by strength in bonding solutions for consumer electronics devices partially offset by continued mixed industrial end market demand as end customers remained cautious.

Business segment operating income margins increased year-on-year driven by benefits from organic volume growth, productivity and lower restructuring charges partially offset by headwinds from stock-based compensation and cost inefficiencies due to the spin of Solventum. Adjusting for special item costs for significant litigation (non-GAAP measure), business segment operating income margins increased year-on-year as displayed above.

First six months 2024 results:

Sales in Safety and Industrial were down 0.9 percent in U.S. dollars.

On an organic sales basis:
- Sales increased in roofing granules and industrial adhesives and tapes, were flat in personal safety, and decreased in industrial specialties, abrasives, electrical markets and automotive aftermarket.
- Growth was held back by disposable respirator sales decline within personal safety (which negatively impacted year-on-year first quarter organic growth by 0.8 percentage points) and industrial end market demand remained mixed. This was partially offset by growth in industrial adhesives and tapes.

Business segment operating income margins increased year-on-year primarily driven by benefits from productivity actions, restructuring and strong spending discipline, partially offset by cost inefficiencies due to the spin of Solventum. Adjusting for special item costs for significant litigation (non-GAAP measure), business segment operating income margins increased year-on-year as displayed above.

Transportation and Electronics Business:

	Three months ended June 30,		Six months ended June 30,	
	2024	**2023**	**2024**	**2023**
Sales (millions)	**$ 2,143**	$ 2,191	**$ 4,247**	$ 4,241
Sales change analysis:				
Organic sales	**(1.3) %**		**0.6 %**	
Acquisitions	**1.0**		**1.2**	
Translation	**(1.9)**		**(1.6)**	
Total sales change	**(2.2) %**		**0.2 %**	
Business segment operating income (millions)	**$ 428**	$ 410	**$ 909**	$ 704
Percent change	**4.6 %**		**29.2 %**	
Percent of sales	**20.0 %**	18.7 %	**21.4 %**	16.6 %
Adjusted sales (millions) (non-GAAP measure)	**$ 1,907**	$ 1,859	**$ 3,730**	$ 3,564
Sales change analysis:				
Organic sales	**3.3 %**		**4.9 %**	
Acquisitions	**1.1**		**1.4**	
Translation	**(1.8)**		**(1.6)**	
Total sales change	**2.6 %**		**4.7 %**	
Adjusted business segment operating income (millions) (non-GAAP measure)	**$ 426**	$ 369	**$ 905**	$ 653
Percent change	**15.8 %**		**38.8 %**	
Percent of sales	**22.3 %**	19.8 %	**24.3 %**	18.3 %

The preceding table also displays business segment sales (and sales change) and operating income (loss) information adjusted for special items. For Transportation and Electronics these adjustments include the sales and estimates of income regarding PFAS manufactured products that 3M plans to exit by the end of 2025. Refer to the *Certain amounts adjusted for special items - (non-GAAP measures)* section for additional details.

Second quarter 2024 results:

Sales in Transportation and Electronics were down 2.2 percent in U.S. dollars. Adjusting for special item PFAS manufactured products (non-GAAP measure), sales were up 2.6 percent in U.S. dollars.

On an organic sales basis:

- Sales increased in electronics, and decreased in advanced materials, and commercial branding and transportation,and automotive and aerospace.
- Growth was held back by headwinds related to PFAS manufactured products.

Acquisitions:

- Impacts related to reconsolidation of Aearo entities are included in Transportation and Electronics.
    - In the third quarter of 2022, 3M deconsolidated the Aearo Entities and, in the second quarter of 2023, reconsolidated those entities (discussed in Note 17). For each of the 12-months post-deconsolidation and post-reconsolidation, impacts are each reflected separately as divestiture and acquisition, respectively.

Business segment operating income margins increased year-on-year driven by benefits from organic volume growth, productivity, and lower restructuring charges partially offset by headwinds from stock-based compensation and cost inefficiencies due to the spin of Solventum. Adjusting for special item PFAS manufactured products (non-GAAP measure), business segment operating income margins increased year-on-year as displayed above.

First six months 2024 results:

Sales in Transportation and Electronics were up 0.2 percent in U.S. dollars. Adjusting for special item PFAS manufactured products (non-GAAP measure), sales were up 4.7 percent in U.S. dollars.

On an organic sales basis:
- Sales increased in electronics and automotive and aerospace, were flat in commercial branding and transportation, and decreased in advanced materials.
- Growth came from strength in electronics due to additional spec-in wins and strength in semiconductor. This was partially offset by headwinds related to PFAS manufactured products.

Acquisitions/divestitures:
- Divestiture and acquisition impacts relate to lost/gained Transportation and Electronics sales year-on-year from the Aearo Entities. In the third quarter of 2022, 3M deconsolidated the Aearo Entities and, in the second quarter of 2023, reconsolidated those entities (discussed in Note 17). For each of the 12-months post-deconsolidation and post-reconsolidation, impacts are each reflected separately as divestiture and acquisition, respectively.

Business segment operating income margins increased year-on-year driven by benefits from strong leverage on organic sales volume growth, productivity actions, restructuring and strong spending discipline partially offset by cost inefficiencies due to the spin of Solventum. Adjusting for special item PFAS manufactured products (non-GAAP measure), business segment operating income margins increased year-on-year as displayed above.

Consumer Business:

	Three months ended June 30,		Six months ended June 30,	
	2024	**2023**	**2024**	**2023**
Sales (millions)	**$ 1,263**	$ 1,293	**$ 2,403**	$ 2,485
Sales change analysis:				
Organic sales	**(1.4) %**		**(2.6) %**	
Translation	**(1.0)**		**(0.7)**	
Total sales change	**(2.4) %**		**(3.3) %**	
Business segment operating income (millions)	**$ 219**	$ 235	**$ 435**	$ 414
Percent change	**(6.7) %**		**5.2 %**	
Percent of sales	**17.4 %**	18.2 %	**18.1 %**	16.7 %

Second quarter 2024 results:

Sales in Consumer were down 2.4 percent in U.S. dollars.

On an organic sales basis:
- Sales increased in home improvement and consumer safety and well-being, and decreased in home and auto care and packaging and expression.
- Growth was negatively impacted by continued softness in consumer discretionary demand for hardline goods along with product portfolio and geographic prioritization.

Business segment operating income margins decreased year-on-year driven by headwinds from organic volume decline, stock-based compensation and cost inefficiencies due to the spin of Solventum partially offset by lower restructuring charges.

First six months 2024 results:

Sales in Consumer were down 3.3 percent in U.S. dollars.

On an organic sales basis:
- Sales increased in home improvement and consumer safety and well-being, and decreased in home and auto care and packaging and expression.
- Growth was negatively impacted by continued softness in consumer discretionary spending along with product portfolio and geographic prioritization.

Business segment operating income margins increased year-on-year from benefits from productivity actions, restructuring, portfolio initiatives, strong spending discipline partially offset by decline in organic sales volume and cost inefficiencies due to the spin of Solventum.

Financial Condition and Liquidity

The strength and stability of 3M's business model and strong free cash flow capability, together with proven capital markets access, provide financial flexibility to deploy capital in accordance with the Company's stated priorities and meet needs associated with contractual commitments and other obligations. Investing in 3M's business to drive organic growth and deliver strong returns on invested capital remains the first priority for capital deployment. This includes research and development, capital expenditures, and commercialization capability. The Company also continues to actively manage its portfolio through acquisitions and divestitures to maximize value for shareholders. 3M expects to continue returning cash to shareholders through dividends and share repurchases. To fund cash needs in the United States, the Company relies on ongoing cash flow from U.S. operations, access to capital markets and repatriation of the earnings of its foreign affiliates that are not considered to be permanently reinvested. For those international earnings considered to be reinvested indefinitely, the Company currently has no plans or intentions to repatriate these funds for U.S. operations. See Note 9 for further information on earnings considered to be reinvested indefinitely.

3M maintains a strong liquidity profile. The Company's primary short-term liquidity needs are met through cash on hand and U.S. commercial paper issuances. 3M believes it will have continuous access to the commercial paper market. 3M's commercial paper program permits the Company to have a maximum of $5 billion outstanding with a maximum maturity of 397 days from date of issuance. The Company had no commercial paper outstanding at June 30, 2024, compared to $1.8 billion commercial paper outstanding as of December 31, 2023.

Total debt: The strength of 3M's credit profile and significant ongoing cash flows provide 3M proven access to capital markets. Additionally, the Company's debt maturity profile is staggered to help ensure refinancing needs in any given year are reasonable in proportion to the total portfolio. As of the date of this report, 3M has a credit rating of A3, stable outlook from Moody's Investors Service, a credit rating of BBB+, negative outlook from S&P Global Ratings, and a credit rating of A-, stable outlook from Fitch.

The Company's total debt associated with continuing operations at June 30, 2024 decreased when compared to December 31, 2023 as a result of $2.9 billion in debt maturities, consisting of $1.1 billion of medium-term notes and $1.8 billion repayment of commercial paper borrowings. Amounts borrowed by Solventum during the first quarter of 2024 were a liability associated with discontinued operations and, as transferred obligations, became the sole responsibility of Solventum after the April 1, 2024 Separation, as discussed in Note 12. For discussion of repayments of and proceeds from debt refer to the following *Cash Flows from Financing Activities* section.

Effective February 8, 2023, the Company renewed its "well-known seasoned issuer" (WKSI) shelf registration statement, which registers an indeterminate amount of debt or equity securities for future issuance and sale. This replaced 3M's previous WKSI shelf registration dated February 10, 2020. The Company has issued debt securities under a WKSI shelf in August 2019 and March 2020. 3M also has a medium-term notes program (Series F) program, originally established in 2016, up to an aggregate principal amount of $18 billion. As of June 30, 2024, the total amount of debt issued under the (Series F) program is approximately $17.6 billion (utilizing the foreign exchange rates applicable at the time of issuance for the euro denominated debt). The Company has not issued any debt under the (Series F) program since February 2019 and does not intend to issue any additional debt under this program in the future.

Information with respect to long-term debt issuances and maturities for the periods presented is included in Note 12.

In May 2023, 3M entered into a $4.25 billion five-year revolving credit facility expiring in 2028; the facility was amended in July and September 2023. The revolving credit agreement includes a provision under which 3M may request an increase of up to $1.0 billion (at lender's discretion), bringing the total facility up to $5.25 billion. The agreement replaced the amended and restated $3.0 billion, five-year revolving credit agreement and the $1.25 billion 364-day credit facility that would have expired in November 2024 and November 2023, respectively. The credit facility was undrawn at June 30, 2024. Under the $4.25 billion credit facility, the Company is required to maintain its EBITDA to Interest Ratio as of the end of each fiscal quarter at not less than 3.0 to 1. This is calculated (based on amounts defined in the amended agreement) as the ratio of consolidated total EBITDA for the four consecutive quarters then ended to total interest expense on all funded debt for the same period. At June 30, 2024, this ratio was approximately 16 to 1. Debt covenants do not restrict the payment of dividends.

The Company also had $329 million in stand-alone letters of credit and bank guarantees issued and outstanding at June 30, 2024. These instruments are utilized in connection with normal business activities.

Cash, cash equivalents and marketable securities: At June 30, 2024, 3M had $10.4 billion of cash, cash equivalents and marketable securities, of which approximately $4.8 billion was held by the Company's foreign subsidiaries and approximately $5.6 billion was held in the United States. These balances are invested in bank instruments and other high quality securities. At December 31, 2023, 3M had $5.8 billion of cash, cash equivalents and marketable securities, of which approximately $3.1 billion was held by the Company's foreign subsidiaries and $2.7 billion was held by the United States. The increase from December 31, 2023 was driven by proceeds from Solventum's issuance of debt prior to the Separation as discussed in Note 12, of which approximately $7.7 billion of proceeds was retained by 3M in the Separation, partially offset by debt maturities. As discussed in the "Material Cash Requirements from Known Contractual and Other Obligations" section further below, 3M expects to pay approximately $3.7 billion in July 2024 related to the PWS Settlement and CAE Settlement, reducing cash, cash equivalents and marketable securities ($0.7 billion was paid in the first half of 2024 - discussed in Note 17).

Net Debt (non-GAAP measure): Net debt is not defined under U.S. GAAP and may not be computed the same as similarly titled measures used by other companies. The Company defines net debt as total debt less the total of cash, cash equivalents and current and long-term marketable securities all on a continuing operations basis. 3M believes net debt is meaningful to investors as 3M considers net debt and its components to be important indicators of liquidity and financial position. The table below provides net debt as of June 30, 2024 and December 31, 2023.

(Millions)	June 30, 2024	December 31, 2023	Change
Total debt	**$ 13,083**	$ 16,035	**$ (2,952)**
Less: Cash, cash equivalents and marketable securities	**10,372**	5,805	**4,567**
Net debt (non-GAAP measure)	**$ 2,711**	$ 10,230	**$ (7,519)**

Refer to the preceding *Total Debt* and *Cash, Cash Equivalents and Marketable Securities* sections for additional details.

Balance Sheet: 3M's strong balance sheet and liquidity provide the Company with significant flexibility to fund its numerous opportunities going forward. The Company will continue to invest in its operations to drive growth, including continual review of acquisition opportunities.

The Company uses working capital measures that place emphasis and focus on certain working capital assets, such as accounts receivable and inventory activity.

Working capital (non-GAAP measure):

(Millions)	June 30, 2024	December 31, 2023	Change
Current assets	**$ 19,515**	$ 16,379	**$ 3,136**
Less: Current liabilities	**14,345**	15,297	**(952)**
Working capital (non-GAAP measure)	**$ 5,170**	$ 1,082	**$ 4,088**

Various assets and liabilities, including cash and short-term debt, can fluctuate significantly from month to month depending on short-term liquidity needs. Working capital is not defined under U.S. generally accepted accounting principles and may not be computed the same as similarly titled measures used by other companies. The Company defines working capital as current assets minus current liabilities. 3M believes working capital is meaningful to investors as a measure of operational efficiency and short-term financial health.

Working capital increased $4.1 billion compared with December 31, 2023. Balance changes in current assets increased working capital by $3.1 billion, driven largely by increases in cash and cash equivalents due to proceeds retained by 3M in the Separation from Solventum's issuance of debt partially offset by debt maturities. Balance changes in current liabilities increased working capital by $1.0 billion, primarily due to short-term borrowings and current portions of long-term debt partially offset by increases in current liabilities relating to other environment liabilities and the CAE Settlement (discussed in Note 17).

Cash Flows: Discussions of cash flows from operating, investing and financing activities are provided in the sections that follow. The Consolidated Statements of Cash Flows include the results of continuing and discontinued operations and, therefore, also include cash and cash equivalents associated with Solventum through its April 2024 separation from 3M that were presented in current assets of discontinued operations in the 3M Consolidated Balance Sheet.

Cash Flows from Operating Activities:

Cash flows from operating activities can fluctuate significantly from period to period, as working capital movements, tax timing differences and other items such as litigation payments can significantly impact cash flows.

In the first six months of 2024, cash flows provided by operating activities decreased $996 million compared to the same period last year, primarily driven by payments of $603 million related to the CAE Settlement (discussed in Note 17) and balance changes in inventories decreasing operating cash flow $371 million (a decrease of operating cash flow by $270 million in 2024, compared to an increase in operating cash flow by $101 million in 2023). The second quarter pre-tax charge of approximately $10.3 billion in 2023 related to the PWS Settlement (discussed in Note 17 largely impacted the net income component above, with offsets in the other-net and deferred tax elements.

Cash Flows from Investing Activities:

Investments in property, plant and equipment (PP&E) enable growth across many diverse markets, helping to meet product demand and increasing manufacturing efficiency. 3M invested $644 million on PP&E in the first six months of 2024.

3M invests in renewal and maintenance programs, which pertain to cost reduction, cycle time, maintaining and renewing current capacity, eliminating pollution, and compliance. Costs related to maintenance, ordinary repairs, and certain other items are expensed. 3M also invests in growth, which adds to capacity, driven by new products, both through expansion of current facilities and new facilities. Finally, 3M also invests in other initiatives, such as information technology (IT), laboratory facilities, and a continued focus on investments in sustainability.

Purchases of marketable securities and investments and proceeds from maturities and sale of marketable securities and investments are primarily attributable to certificates of deposit/time deposits, commercial paper, and other securities, which are classified as available-for-sale. Refer to Note 11 for more details about 3M's diversified marketable securities portfolio. Purchases of investments include additional survivor benefit insurance, plus investments in equity securities.

Cash Flows from Financing Activities:

Debt cash flow activity includes proceeds from Solventum's issuance of $8.4 billion in aggregate principal amount of debt in the first quarter of 2024 partially offset by $2.9 billion in debt maturities, consisting of $1.1 billion of medium-term notes and $1.8 billion repayment of commercial paper borrowings. The gross commercial paper issuances and repayments, in addition to repayments of the fixed-rate notes are largely reflected in "Proceeds from debt (maturities greater than 90 days)" and "Repayment of debt (maturities greater than 90 days)". The Company had no commercial paper outstanding at June 30, 2024, compared to $1.8 billion commercial paper outstanding as of December 31, 2023. 3M's primary short-term liquidity needs are met through cash on hand and U.S. commercial paper issuances. Refer to Note 12 for more detail regarding debt.

Repurchases of common stock are made to support the Company's stock-based employee compensation plans and for other corporate purposes. In the first six months of 2024, the Company purchased $421 million of its own stock. For more information, refer to the table titled "Issuer Purchases of Equity Securities" in Part II, Item 2. The Company does not utilize derivative instruments linked to the Company's stock.

3M has paid dividends since 1916. In February 2024, 3M's Board of Directors declared a first-quarter 2024 dividend of $1.51 per share. In May 2024, 3M's Board of Directors declared a second-quarter 2024 dividend of $0.70 per share resetting 3M's dividend post-Solventum spin.

Cash flows from financing activity in 2024 also include $0.6 billion of net cash transferred to Solventum associated with the close of the Separation (discussed in Note 2).

Other cash flows from financing activities may include various other items, such as cash paid associated with certain derivative instruments, distributions to or sales of noncontrolling interests, changes in overdraft balances, and principal payments for finance leases.

Material Cash Requirements from Known Contractual and Other Obligations: See the Financial Condition and Liquidity - Material Cash Requirements from Known Contractual and Other Obligations section of Item 7 of 3M's 2023 Annual Report on Form 10-K. Amongst the items and amounts referenced therein, 3M expects to pay approximately $3.7 billion in July 2024 related to the PWS Settlement and CAE Settlement.

Cautionary Note Concerning Factors That May Affect Future Results

This Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company may also make forward-looking statements in other reports filed with the United States Securities and Exchange Commission ("SEC"), in materials delivered to shareholders and in press releases. In addition, the Company's representatives may from time to time make oral forward-looking statements.

Forward-looking statements relate to future events and typically address the Company's expected future business and financial performance. Words such as "plan," "expect," "aim," "believe," "project," "target," "anticipate," "intend," "estimate," "will," "should," "could," "would," "forecast" and other words and terms of similar meaning, typically identify such forward-looking statements. In particular, these include, among others, statements relating to:

- worldwide economic, political, regulatory, international trade, geopolitical, capital markets and other external conditions and other factors beyond the Company's control, including inflation, recession, military conflicts, and natural and other disasters or climate change affecting the operations of the Company or its customers and suppliers,
- foreign currency exchange rates and fluctuations in those rates,
- liabilities and the outcome of contingencies related to certain fluorochemicals known as "PFAS," including liabilities related to claims, lawsuits, and government regulatory proceedings concerning various PFAS-related products and chemistries, as well as risks related to the Company's plans to exit PFAS manufacturing and discontinue use of PFAS across its product portfolio,
- risks related to the class-action settlement ("PWS Settlement") to resolve claims by public water suppliers in the United States regarding PFAS,
- legal proceedings, including significant developments that could occur in the legal and regulatory proceedings described in the Company's reports on Form 10-K, 10-Q, and 8-K,
- competitive conditions and customer preferences,
- the timing and market acceptance of new product and service offerings,
- the availability and cost of purchased components, compounds, raw materials and energy due to shortages, increased demand and wages, supply chain interruptions, or natural or other disasters,
- unanticipated problems or delays with the phased implementation of a global enterprise resource planning (ERP) system, or security breaches and other disruptions to the Company's information technology infrastructure,
- the impact of acquisitions, strategic alliances, divestitures, and other strategic events resulting from portfolio management actions and other evolving business strategies,
- operational execution, including the extent to which the Company can realize the benefits of planned productivity improvements, as well as the impact of organizational restructuring activities,
- financial market risks that may affect the Company's funding obligations under defined benefit pension and postretirement plans,
- the Company's credit ratings and its cost of capital,
- tax-related external conditions, including changes in tax rates, laws, or regulations,
- matters relating to the spin-off of the Company's Health Care business, including the risk that the expected benefits will not be realized; the risk that the costs or dis-synergies will exceed the anticipated amounts; potential business disruption; the diversion of management time; the impact of the transaction on the Company's ability to retain talent; potential impacts on the Company's relationships with its customers, suppliers, employees, regulators and other counterparties; the ability to realize the desired tax treatment; the risk that any consents or approvals required will not be obtained; risks under the agreements and obligations entered into in connection with the spin-off, and
- matters relating to Combat Arms Earplugs ("CAE"), including those related to the August 2023 settlement that is intended to resolve, to the fullest extent possible, all litigation and alleged claims involving the CAE sold or manufactured by the Company's subsidiary Aearo Technologies and certain of its affiliates ("Aearo Entities") and/or 3M ("CAE Settlement").

The Company assumes no obligation to update or revise any forward-looking statements. Changes in such assumptions or factors could produce significantly different results.

Forward-looking statements are based on certain assumptions and expectations of future events and trends that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results or those reflected in any such forward-looking statements depending on a variety of factors. Important information as to these factors can be found in this document, including, among others, "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the headings of "Overview," "Financial Condition and Liquidity" and annually in "Critical Accounting Estimates." Discussion of these factors is incorporated by reference from Part II, Item 1A, "Risk Factors," of this document, and should be considered an integral part of Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations." For additional information concerning factors that may cause actual results to vary materially from those stated in the forward-looking statements, see our reports on Form 10-K, 10-Q and 8-K filed with the SEC from time to time.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the context of Item 3, 3M is exposed to market risk due to the risk of loss arising from adverse changes in foreign currency exchange rates, interest rates and commodity prices. Changes in those factors could impact the Company's results of operations and financial condition. For a discussion of sensitivity analysis related to these types of market risks, refer to Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in 3M's 2023 Annual Report on Form 10-K. There have been no material changes in information that would have been provided in the context of Item 3 from the end of the preceding year until June 30, 2024.

Item 4. Controls and Procedures

a. The Company carried out an evaluation, under the supervision and with the participation of its management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as defined in the Exchange Act Rule 13a-15(e)) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective.

b. There was no change in the Company's internal control over financial reporting that occurred during the Company's most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company continues to implement new business systems and solutions, including an enterprise resource planning system (ERP), which are expected to improve the efficiency of certain financial and related business processes. These implementations are expected to occur on an on-going basis as opportunities and needs are identified and addressed. The implementations, in certain cases, may affect the processes that constitute the Company's internal control over financial reporting and will require testing for effectiveness.

The Company completed implementation with respect to various processes/sub-processes in certain subsidiaries/locations, including aspects relative to the United States, and will continue the implementations over the next several years. As with any new information technology application the Company implements, these applications, along with the internal control over financial reporting included in these processes, were appropriately considered within the testing for effectiveness with respect to the implementation in these instances. The Company concluded, as part of its evaluation described in the above paragraphs, that the implementation in these circumstances has not materially affected its internal control over financial reporting.

In connection with the Separation, there were several processes, policies, operations, technologies and information systems that were transferred or separated. Through the quarter ended June 30, 2024, the Company continued to take steps to ensure that adequate controls were designed and maintained throughout this transition period.

3M COMPANY
FORM 10-Q
For the Quarterly Period Ended June 30, 2024
PART II. Other Information

Item 1. Legal Proceedings

Discussion of legal matters is incorporated by reference from Part I, Item 1, Note 17, “Commitments and Contingencies,” of this document, and should be considered an integral part of Part II, Item 1, “Legal Proceedings.”

Item 1A. Risk Factors

Provided below is a cautionary discussion of what we believe to be the most important risk factors applicable to the Company. Discussion of these factors is incorporated by reference into and considered an integral part of Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Risks Related to the Global Economy and External Conditions

** The Company’s results are impacted by the effects of, and changes in, worldwide economic, political, regulatory, international trade, geopolitical, and other external conditions.*

During the second quarter of 2024, the Company derived approximately 55 percent of its revenues from outside the United States. Accordingly, the Company’s operations and the execution of its business strategies and plans are subject to global competition and economic and geopolitical risks that are beyond its control, such as, among other things, disruptions in financial markets, economic downturns, military conflicts, terrorism, public health emergencies, political changes and trends such as protectionism, economic nationalism resulting in government actions impacting international trade agreements or imposing trade restrictions such as tariffs and retaliatory counter measures, and government deficit reduction and other austerity measures in locations or industries in which the Company operates. Further escalation of specific trade tensions, including those between the U.S. and China, or more broadly in global trade conflict, could adversely impact the Company's business and operations around the world. The Company's business is also impacted by social, political, and labor conditions in locations in which the Company or its suppliers or customers operate; adverse changes in the availability and cost of capital; monetary policy; interest rates; inflation; recession; commodity prices; currency volatility or exchange control; ability to expatriate earnings; and other laws and regulations in the jurisdictions in which the Company or its suppliers or customers operate. For example, changes in local economic condition or outlooks, such as lower economic growth rates in China, Europe, or other key markets, impact the demand or profitability of the Company's products.

The global economy has been impacted by military conflicts, including the conflict between Russia and Ukraine. The U.S. and other governments have imposed export controls on certain products and financial and economic sanctions on certain industry sectors and parties in Russia. 3M suspended operations of its subsidiaries in Russia in March 2022 and completed a sale of the related assets in June 2023. These geopolitical tensions could result in, among other things, cyberattacks, supply chain disruptions, higher energy and other commodity 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 and severe weather events, including related environmental and social regulations, as well as natural disasters, may negatively impact the Company or its customers and suppliers, in terms of availability and cost of natural resources, sources and supply of energy, product demand and manufacturing, compliance costs, and the health and well-being of individuals and communities in which we or our suppliers or customers operate.

** Foreign currency exchange rates and fluctuations in those rates may affect the Company’s ability to realize projected growth rates in its sales and earnings.*

The Company’s financial statements are denominated in U.S. dollars and, as noted above, the Company derives a significant percentage of its revenues from outside the United States. As a result, the Company’s results of operations and its ability to realize projected growth rates in sales and earnings could be adversely affected if the U.S. dollar strengthens significantly against foreign currencies, and the Company's results of operations may experience volatility related to changes in exchange rates. For a discussion of the impact of foreign currency exchange rates on the Company, see Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Risks Related to Legal and Regulatory Proceedings

** The Company faces liabilities related to certain fluorochemicals, which could adversely impact our results.*

As previously reported, governments in the United States and internationally have increasingly been regulating a broad group of perfluoroalkyl and polyfluoroalkyl substances produced by the Company, collectively known as “PFAS,” including some presently or historically produced by the Company.

The PFAS group of substances contains several categories and classes of durable chemicals and materials with properties that include oil, water, temperature, chemical, and fire resistance, as well as electrical insulating properties. The strength of the carbon-fluorine bond also means that these compounds do not easily degrade. These characteristics have made PFAS substances critical to the manufacture of a wide range of products, including electronic devices such as cell phones, tablets, and semi-conductors. They are also used to help prevent contamination of medical products like surgical gowns and drapes. Commercial aircraft and low-emissions vehicles also rely on PFAS technology. 3M is just one of a number of companies that manufacture PFAS compounds.

As science and technology evolve and advance, and in response to evolving knowledge and the understanding that certain PFAS compounds had the potential to build up over time, 3M announced in 2000 that it would voluntarily phase out production of two PFAS substances, perfluorooctanoate (PFOA) and perfluorooctane sulfonate (PFOS) globally as a precautionary measure. Most of the phase out activities in the United States were completed by the end of 2002. The phase out included materials used to produce certain repellents and surfactant products, and products including Aqueous Film Forming Foam (AFFF) and certain coatings for food packaging, for example. Following the phase out of PFOA and PFOS production, the Company has continued to review, control, or eliminate the presence of certain PFAS in purchased materials, as intended substances in products, or as byproducts of some of 3M’s current manufacturing processes, products, and waste streams.

3M announced in December 2022 it will take two actions with respect to PFAS (2022 PFAS Announcement): exiting all PFAS manufacturing by the end of 2025; and working to discontinue the use of PFAS across its product portfolio by the end of 2025. 3M continues to make progress toward these goals, as discussed further below. The Company recognized a $0.8 billion pre-tax charge in the fourth quarter of 2022 associated with the 2022 PFAS Announcement related to asset impairments, and will incur additional expenses in connection with the 2022 PFAS Announcement. In addition, the 2022 PFAS Announcement involves risks, including: the actual timing, costs, and financial impact of such exit; the Company’s ability to complete such exit on the anticipated timing or at all; potential governmental or regulatory actions relating to PFAS or the Company’s exit plans; the Company’s ability to identify and manufacture, or procure from third parties if possible, acceptable substitutes for PFAS-containing materials in 3M's supply chain; the possibility that such non-PFAS options are not available or that such substitutes may not achieve the anticipated or desired commercial, financial or operational results; potential litigation relating to the Company’s exit plans or to any products that include third-party manufactured materials containing PFAS that are incorporated into the products the Company sells; and the possibility that the planned exit will involve greater costs than anticipated, may not be feasible, may not be feasible on the timeframe initially predicted, or may otherwise have negative impacts on the Company’s relationships with its customers and other parties.

As stated above, 3M is progressing toward the exit of all PFAS manufacturing by the end of 2025. 3M is also working to discontinue the use of PFAS across its product portfolio by the end of 2025 and has made progress in eliminating the use of PFAS across its product portfolio in a variety of applications. With respect to PFAS-containing products not manufactured by 3M in the Company's supply chains, the Company continues to evaluate the availability and feasibility of third-party products that do not contain PFAS. Depending on the availability and feasibility of such third-party products not containing PFAS, the Company continues to evaluate circumstances in which the use of PFAS-containing products manufactured by third parties and used in certain applications in 3M’s product portfolios, such as lithium ion batteries, printed circuit boards and certain seals and gaskets, all widely used in commerce across a variety of industries, and in some cases required by regulatory or industry standards, may or are expected to, depending on applications, continue beyond 2025. In other cases, regulatory approval, customer re-certification or re-qualification of substitutes or replacements to eliminate the use of PFAS manufactured by third parties may not be completed, or, depending on circumstances, are not expected to be completed, by the end of 2025. With respect to PFAS-containing products manufactured by third parties, the Company intends to continue to evaluate beyond the end of 2025 the adoption of third-party products that do not contain PFAS to the extent such products are available and such adoption is feasible.

3M has noticed several global regulatory trends related to PFAS, including decreasing emission standards and limits set for the presence of certain PFAS in various media, and the inclusion in regulatory activity of a broadening group of PFAS. Developments in these and other global regulatory trends may require additional actions by 3M, including investigation, remediation and compliance actions, and may result in additional litigation and enforcement action-related costs.

Under certain environmental laws, including the United States Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”) and similar state laws, the Company may be jointly and severally liable, sometimes with other potentially responsible parties, for the costs of investigation and remediation of environmental contamination at current or former facilities and at off-site locations where substances designated as “hazardous substances” have been released or disposed of. The Company has identified numerous locations, many of which are in the United States, at which it may have some liability for remediation of contamination under applicable environmental laws. As a result of the CERCLA designation of PFOA and PFOS as hazardous substances in 2024, and to the extent EPA finalizes additional proposals related to PFAS, 3M may be required to undertake additional investigative or remediation activities, including where 3M conducts operations or where 3M has disposed of waste. 3M may also face additional litigation from other entities that have liability under these laws for claims seeking contribution for clean-up costs other entities might have.

The Company has been voluntarily cooperating with various local, state, federal (primarily the U.S. Environmental Protection Agency (EPA)), and international agencies in their reviews of the environmental and health effects of certain PFAS produced by the Company.3M currently is defending lawsuits concerning various PFAS-related products and chemistries, and is subject to unasserted and asserted claims and governmental regulatory proceedings and inquiries related to the production and use of PFAS in a variety of jurisdictions, as discussed in Note 17, "Commitments and Contingencies," within the Notes to Consolidated Financial Statements. 3M has seen increased public and private lawsuits being filed on behalf of states, counties, cities, and utilities alleging, among other things, harm to the general public and damages to natural resources, some of which are pending in the AFFF multi-district litigation and some of which are pending in other jurisdictions. Various factors or developments in these and other disclosed actions could result in future charges that could have a material adverse effect on 3M. For example, the Company recorded a pre-tax charge of $897 million, inclusive of legal fees and other related obligations, in the first quarter of 2018 with respect to the settlement of a matter brought by the State of Minnesota involving the presence of PFAS in the groundwater, surface water, fish or other aquatic life, and sediments in the state. In addition, as described in greater detail in Note 17, "Commitments and Contingencies," within the Notes to Consolidated Financial Statements, in June 2023, the Company entered into a class-action settlement ("PWS Settlement") to resolve a wide range of drinking water claims by public water suppliers in the United States regarding PFAS. The court approved that settlement in March 2024. 3M will pay $10.5 billion to $12.5 billion in total to resolve the claims released by the PWS Settlement, with payments to be made from 2024 through 2036, in exchange for a release of certain claims, as described further in Note 17. Unexpected events related to the PWS Settlement, including the potential impact of the PWS Settlement on other PFAS-related matters could have a material adverse effect on the Company's results of operations, cash flows or its consolidated financial position. In addition, as previously disclosed, in connection with the separation of Solventum, the Company agreed to retain liabilities related to PFAS for certain products sold by Solventum for a limited period of time following the separation.

Governmental inquiries, lawsuits, or laws and regulations involving PFAS could lead to our incurring liability for damages or other costs, civil or criminal proceedings, the imposition of fines and penalties, or other remedies, including orders to conduct remediation, as well as restrictions on or added costs for our business operations going forward, including in the form of restrictions on discharges at our manufacturing facilities, requiring the installation of control technologies, suspension or shutdown of facility operations, switching costs in seeking alternative sources of supply, potential customer damage claims due to supply disruptions or otherwise, restoration of and/or compensation for damages to natural resources, and for personal injury and property damages, and reporting requirements or bans on PFAS and PFAS-containing products manufactured by the Company. Any of the foregoing could have a material adverse effect on the Company's results of operations, cash flows or its consolidated financial position.

** The Company is subject to risks related to international, federal, state, and local treaties, laws, and regulations, as well as compliance risks related to legal or regulatory requirements, contract requirements, policies and practices, or other matters that require or encourage the Company or its suppliers, vendors, or channel partners to conduct business in a certain way. The outcome of legal and regulatory proceedings related to compliance with these treaties, laws, regulations, and requirements could have a material adverse effect on the Company's reputation, ability to execute its strategy and its results of operations.*

The Company operates globally, including in some jurisdictions that pose potentially elevated risks of fraud or corruption or increased risk of internal control issues, and is subject to risks related to international, federal, state, and local treaties, laws, and regulations, including those involving product liability; securities and corporate laws; antitrust and competition laws; intellectual property; environmental, health, and safety; tax; the U.S. Foreign Corrupt Practices Act (FCPA) and other anti-bribery, anti-corruption laws; international import and export requirements and trade sanctions compliance; laws and regulations that apply to industries served by the Company, including the False Claims Act, anti-kickback laws, and the Sunshine Act; and other matters. The Company is also subject to compliance risks related to legal or regulatory requirements, contract requirements, policies and practices, or other matters that require or encourage the Company and its suppliers, vendors, or channel parties, to conduct business in a certain way. Legal compliance risks also include third-party risks where the Company's suppliers, vendors, or channel partners, or trade associations to which the Company belongs, have business practices that are inconsistent with 3M's Supplier Responsibility Code, 3M performance requirements, or with legal requirements.

The failure to comply with the FCPA and other anti-bribery and anti-corruption laws and regulations could result in significant civil fines and penalties or criminal sanctions against the Company, which could have a material adverse effect on our business, reputation, operating results and financial condition. These laws and regulations prohibit corrupt payments by the Company's employees, suppliers, vendors, channel partners or agents. The Company is also required to maintain accurate books and records and adequate internal controls under the FCPA's accounting provisions. From time to time, the Company receives reports internally and externally, via various reporting channels deployed by its Ethics and Compliance function or otherwise (such as shareholder communications), about business and other activities that raise compliance or other legal or litigation issues. The Company has in the past, and in the future could be, required to investigate such reports and cooperate with U.S. and foreign regulatory authorities in such investigations, audit, monitor compliance or alter its practices as part of such investigations, and the Company has in the past and may in the future be required to pay fines or penalties related to its practices. While the Company maintains and implements U.S. and international compliance programs, including policies and procedures, training, and internal controls designed to reduce the risk of noncompliance, the Company's employees, suppliers, vendors, channel partners or agents may violate such policies and procedures and engage in practices that contravene relevant laws and regulations.

The Company's results of operations could be adversely impacted if the costs to comply with these evolving treaties, laws, regulations, and requirements are greater than projected by the Company. In addition, the outcome of legal and regulatory proceedings related to compliance with these treaties, laws, regulations, and requirements are difficult to reliably predict, may differ from the Company’s expectations, and have resulted and may in the future result in, one or more of the following: criminal or civil sanctions, including fines; limitations on the extent to which the Company can conduct business; employee and business partner terminations due to policy violations; and private rights of action that result in litigation exposure, including expenses and costs incurred in connection with settlement or court proceedings, for the Company. In addition, detecting, investigating and resolving actual or alleged violations of these acts is expensive and could consume significant time and attention of our senior management. Although the Company maintains general liability insurance to mitigate monetary exposure, the amount of liability that may result from certain of these risks may not always be covered by, or could exceed, the applicable insurance coverage. Various factors or developments can lead the Company to change current estimates of liabilities and related insurance receivables where applicable, or make such estimates for matters previously not susceptible of reasonable estimates, such as a significant judicial ruling or judgment, a significant settlement, significant regulatory developments or changes in applicable law. A future adverse ruling, settlement, or unfavorable development could result in future charges that could have a material adverse effect on the Company’s results of operations or cash flows or its consolidated financial position. In addition, negative publicity related to the matters noted above or other matters involving the Company may negatively impact the Company’s reputation. The Company also relies on patent and other intellectual property protection, and challenges to the Company’s intellectual property rights, or claims that the Company’s activities interfere with the intellectual property rights of a third party, could cause the Company to incur significant expenses to assert or defend against such claims, could result in reduced revenue, and could damage the Company’s reputation, any of which could have an adverse effect on the Company. For a more detailed discussion of the legal proceedings involving the Company and the associated accounting estimates, see the discussion in Note 17, “Commitments and Contingencies,” within the Notes to Consolidated Financial Statements.

Risks Related to Our Products and Customer Preferences

** The Company’s results are affected by competitive conditions and customer preferences.*

Demand for the Company’s products, which impacts revenue and profit margins, is affected by, among other things, (i) the development and timing of the introduction of competitive products; (ii) the Company’s pricing strategies; (iii) changes in customer order patterns, such as changes in the levels of inventory maintained by customers, vendors, or channel partners; (iv) changes in customers’ preferences for our products, including preferences for products that do not contain PFAS, the success of products offered by our competitors, and changes in customer designs for their products that can affect the demand for some of the Company’s products; and (v) changes in the business environment related to disruptive technologies, such as artificial intelligence and machine learning technologies, block-chain, expanded analytics, and other enhanced learnings from increasing volume of available data.

** The Company’s growth objectives are largely dependent on the timing and market acceptance of its new product offerings, including its ability to continually renew its pipeline of new products and to bring those products to market.*

This ability is subject to difficulties or delays in product development, such as the inability to identify viable new products, obtain adequate intellectual property protection, or gain market acceptance of new products. There are no guarantees that new products will prove to be commercially successful.

** The Company's future results are subject to vulnerability with respect to materials and fluctuations in the costs and availability of purchased components, compounds, raw materials, energy, and labor due to shortages, increased demand and wages, logistics, supply chain interruptions, manufacturing site disruptions, regulatory developments, natural disasters, and other disruptive factors.*

The Company depends on various components, compounds, raw materials, and energy (including oil and natural gas and their derivatives) supplied by others for the manufacturing of its products. Supplier relationships have been and could be interrupted in the future due to supplier material shortage, climate impacts and severe weather events, natural and other disasters, and other disruptive events such as military conflicts, or be terminated. In addition, some of our suppliers are limited- or sole-source suppliers, and our ability to meet our obligations to customers depends on the performance, product quality, and stability of such suppliers and the Company's ability to source adequate alternatives in a cost-effective manner. Any sustained interruption in the Company's receipt of adequate supplies, supply chain disruptions impacting the distribution of products, or disruption to key manufacturing sites' operations due to natural and other disasters or events, such as government actions relating to discharge or emission permits or other legal or regulatory requirements, could have a material adverse effect on the Company and its ability to fulfill supply obligations to its customers. The Company could incur contractual penalties, experience a deterioration in customer relationships, or suffer harm to its reputation if the Company is unable to fulfill its obligations to customers, any of which could have a material adverse effect on the Company. In addition, there can be no assurance that the Company's processes to minimize volatility in component and material pricing will be successful or that future price fluctuations or shortages will not have a material adverse effect on the Company.

Risks Related to Our Business

** The Company employs information including operational technology systems to support its business and to collect, store, and/or use proprietary and confidential information, including ongoing phased implementation of an enterprise resource planning (ERP) system as part of its business transformation on a worldwide basis over the next several years. Security and data breaches, cyberattacks, and other cybersecurity incidents involving the Company's information technology systems, networks and infrastructure could disrupt or interfere with the Company's operations; result in the compromise and misappropriation of proprietary and confidential information belonging to the Company or its customers, suppliers, and employees; and expose the Company to numerous expenses, liabilities, and other negative consequences, any or all of which could adversely impact the Company's business, reputation, and results of operations.*

In the ordinary course of business, the Company relies on centralized and local information technology networks and systems, some of which are provided, hosted, or managed by vendors and other third parties, to process, transmit, and store electronic information, and to manage or support a variety of businesses. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information in certain of our businesses that is subject to privacy and cybersecurity laws, regulations, and customer-imposed controls. Third parties and threat actors, including organized criminals, nation-state entities, and/or nation-state supported actors, regularly attempt to gain unauthorized access to the Company's information and operational technology networks and infrastructure, data, and other information, and many such attempts are becoming increasingly sophisticated. Despite our cybersecurity and business continuity counter measures (including employee and third-party training, monitoring of networks and systems, patching, maintenance, and backup of systems and data), the Company's information and operational technology systems, networks and infrastructure have experienced and are expected to experience cyberattacks of various degrees of sophistication, and are susceptible to insider threat, compromise, damage, disruption, or shutdown, including as a result of the exploitation of known or unknown hardware or software vulnerabilities, or zero day attacks, in our systems or the systems of our vendors and third-party service providers, the introduction of computer viruses, malware or ransomware, service or cloud provider disruptions or security breaches, phishing attempts, employee error or malfeasance, power outages, telecommunication or utility failures, systems failures, natural disasters, or other catastrophic events. The Company's increased adoption of remote working, initially driven by the COVID-19 health pandemic, also introduces additional threats and risk of disruptions to our information technology systems, networks and infrastructure. Despite our cybersecurity counter measures, it is possible for security vulnerabilities or a cyberattack to remain undetected for an extended time period, up to and including several months, and the prioritization of decisions with respect to security measures and remediation of known vulnerabilities that we and the vendors and other third parties upon which we rely make may prove inadequate to protect against these attacks. While we and third parties we utilize have experienced, and expect to continue to experience, cybersecurity incidents that could lead to other disruptions of the Company's and the third parties' information and operational technology systems and infrastructure, we do not believe that any such cybersecurity incidents to date have had a material impact on the Company. Any cybersecurity incident or information or operational technology network disruption could result in numerous negative consequences, including the risk of legal claims or proceedings, investigations or enforcement actions by U.S., state, or foreign regulators; liabilities or penalties under applicable laws and regulations, including privacy laws and regulations in the U.S. and other jurisdictions; interference with the Company's operations; the incurrence of remediation costs; loss of intellectual property protection; the loss of customer, supplier, or employee relationships; and damage to the Company's reputation, any of which could adversely affect the Company's business. Although the Company maintains insurance coverage for various cybersecurity and business continuity risks, there can be no guarantee that all costs, damages, expenses or losses incurred will be fully insured.

** Acquisitions, strategic alliances, divestitures, and other strategic events resulting from portfolio management actions and other evolving business strategies could affect future results.*

The Company monitors its business portfolio and organizational structure and has made and may continue to make acquisitions, strategic alliances, divestitures, and changes to its organizational structure. With respect to acquisitions and strategic alliances, future results will be affected by, as applicable, the Company's ability to integrate acquired businesses quickly and obtain the anticipated synergies and the Company's ability to operationalize and derive anticipated benefits from alliances. Divestitures may include continued involvement in the divested businesses, such as through transitional or longer-term supply or distribution arrangements, following the transaction, and may result in unexpected liabilities through indemnification or other risk-shifting mechanisms in the applicable divestiture agreement. For example, in connection with the separation of Solventum, the Company and Solventum entered into various agreements that provide for the performance of certain services or provision of goods by each company for the benefit of the other and that may result in unexpected liabilities related to indemnification obligations or non-performance by Solventum. A summary of the material terms of these agreements can be found in the section entitled "Certain Relationships and Related Party Transactions—Agreements with 3M" in Solventum's Information Statement, dated March 13, 2024, which was included as Exhibit 99.1 to Solventum's Current Report on 8-K filed with the SEC on March 13, 2024. Any of the foregoing could adversely affect the Company's future results.

** The Company's future results may be affected by its operational execution, including through organizational restructurings and scenarios where the Company generates fewer productivity improvements than planned.*

The Company's financial results depend on the successful execution of its business operating plans. The Company utilizes various tools, such as continuous improvement, to improve productivity and reduce expenses and engages in ongoing global business transformation, including restructurings from time to time, to streamline its operations, improve operational efficiency, productivity, and the speed and efficiency with which it serves customers. Workforce restructuring activities impact business groups, functions, and geographies, and the structural reorganization is expected to reduce the size of the corporate center, simplify supply chain, streamline 3M's geographic footprint, reduce layers of management, further align business go-to-market models to customers, and reduce manufacturing roles to align with production volumes, with the goal of improving the Company's longer-term outlook in overall performance. There can be no assurance that we will realize the benefits of such activities, or that such activities will not result in unexpected or negative consequences, such as a reduced ability to generate sales; a relationship impact with employees; or a reduced ability to provide the experience that our customers, suppliers, vendors, and channel partners expect from us. In addition, the ability to adapt to business model and other changes, including responding to evolving customer needs and service expectations, are important, and, if not done successfully, could negatively impact the Company's ability to win new business and enhance revenue and 3M's brand. Operational challenges, including those related to customer service, pace of change and productivity improvements, could have a material adverse effect on the Company's business, financial condition, and results of operations.

Risks Related to Financial and Capital Markets and Tax Matters

** The Company's defined benefit pension and postretirement plans are subject to financial market risks that could adversely impact our results.*

The performance of financial markets and discount rates impact the Company's funding obligations under its defined benefit plans. Significant changes in market interest rates, decreases in the fair value of plan assets and investment losses on plan assets, and legislative or regulatory changes relating to defined benefit plan funding may increase the Company's funding obligations and adversely impact its results of operations and cash flows.

** Change in the Company's credit ratings or increases in benchmark interest rates could increase cost of funding.*

The Company's credit ratings are important to 3M's cost of capital. The major rating agencies routinely evaluate the Company's credit profile and assign debt ratings to 3M. This evaluation is based on a number of factors, which include financial strength, business and financial risk, as well as transparency with rating agencies and timeliness of financial reporting. The Company's credit ratings have served to lower 3M's borrowing costs and facilitate access to a variety of lenders. As of the date of this report, 3M has a credit rating of A3, stable outlook from Moody's Investors Service, a credit rating of BBB+, negative outlook from S&P Global Ratings, and a credit rating of A-, stable outlook from Fitch. The addition of further leverage to the Company's capital structure could impact 3M's credit ratings in the future. Failure to maintain strong investment grade ratings and further downgrades by the ratings agencies, would adversely affect the Company's cost of funding and could adversely affect liquidity and access to capital markets. In addition, interest expense could increase due to a rise in interest rates.

** Changes in tax rates, laws, or regulations could adversely impact our financial results.*

The Company's business is subject to tax-related external conditions, such as tax rates, tax laws and regulations, changing political environments in the U.S. and foreign jurisdictions that impact tax examination, and assessment and enforcement approaches. In addition, changes in tax laws including further regulatory developments arising from U.S. or international tax reform legislation could result in a tax expense or benefit recorded to the Company's Consolidated Statement of Earnings. In connection with the Base Erosion and Profit Shifting (BEPS) Integrated Framework provided by Organization for Economic Cooperation and Development (OECD), determination of multi-jurisdictional taxation rights and the rate of tax applicable to certain types of income may be subject to potential change. Due to the evolving nature of global tax laws and regulations and compliance approaches, it is currently not possible to assess the ultimate impact of these actions on our financial statements, but these actions could have an adverse impact on the Company's financial results.

Risks Related to the Company's Aearo Entities and Combat Arms Earplug Settlement

** The Company is subject to risks related to the Company's Aearo Entities and CAE Settlement.*

As previously disclosed, and as discussed further in Note 17, "Commitments and Contingencies," within the Notes to Consolidated Financial Statements, Aearo Technologies sold Dual-Ended Combat Arms – Version 2 earplugs starting in about 1999. 3M acquired Aearo Technologies in 2008 and sold these earplugs from 2008 through 2015, when the product was discontinued. 3M and Aearo Technologies believe the Combat Arms Earplugs were effective and safe when used properly, but nevertheless faced significant litigation relating to the earplugs. In August 2023, the Company and the Aearo Entities entered into a settlement arrangement (as amended, the "CAE Settlement") which is structured to promote participation by claimants and is intended to resolve, to the fullest extent possible, all litigation and alleged claims involving the CAE sold or manufactured by the Aearo Entities and/or 3M. Pursuant to the CAE Settlement, 3M will contribute a total amount of $6.0 billion between 2023 and 2029. Payments to claimants are subject to certain conditions, including providing 3M with a full release of any and all claims involving the CAE. In March 2024, as of the final registration date for the CAE Settlement, more than 99% of claimants are participating in the settlement. The CAE Settlement is subject to risk and uncertainties, including, but not limited to, whether the anticipated full participation by plaintiffs in the CAE Settlement will be achieved, whether there will be a significant number of future claims by plaintiffs that decline to participate in the CAE Settlement, whether the CAE Settlement is appealed or challenged, the filing and outcome of additional litigation, if any, relating to the products that are the subject of the CAE Settlement, or changes in laws or regulations related to the CAE products or the CAE Settlement.

Risks Related to the Spin-off of Solventum, the Company's Former Health Care Business

** The Company is subject to risks related to the separation of Solventum, the Company's former Health Care business, into an independent public company.*

On April 1, 2024, the Company completed the planned spin-off of its health care business, which is known as Solventum Corporation, as an independent company. There can be no assurance that the anticipated benefits of the transaction will be realized, or that the costs or dis-synergies of the transaction (including costs of related restructuring transactions) will not exceed the anticipated amounts, in each case in the amounts or within the timeframes that were anticipated. The separation may also impose challenges on the Company and its business, including potential business disruption; the diversion of management time on matters relating to the transaction; the impact on the Company's ability to retain talent; potential impacts on the Company's relationships with its customers, employees, regulators, and other counterparties; and the risk that any consents or approvals required will not be obtained or will be obtained subject to material modifications to the terms of the underlying arrangement.

In connection with the separation, the Company and Solventum entered into various agreements that provide for the performance of certain services or provision of goods by each company for the benefit of the other, including a separation and distribution agreement, a transition services agreement, a tax matters agreement, an employee matters agreement, a transition distribution services agreement, a transition contract manufacturing agreement, a stockholder's and registration rights agreement, an intellectual property cross license agreement, a master supply agreement, and a reverse master supply agreement. Performance under these agreement or other related conditions outside of the Company's control could materially affect our operations and future financial results.

Following the separation, the Company is a smaller, less diversified company than it was prior to the separation, which could make the Company more vulnerable to factors impacting its performance, such as changing market conditions and market volatility. In addition, the Company may be unable to find suitable alternatives for goods and services that Solventum temporarily provides to the Company pursuant to the agreements noted above, or such alternative goods and services may be more expensive than provided by Solventum to the Company.

The Company retained an equity interest in Solventum in connection with the spin-off. The Company cannot predict the trading price of shares of Solventum's common stock and the market value of the Solventum shares is subject to market volatility and other factors outside of the Company's control. The Company intends to divest its ownership interest in Solventum within five years from the spin-off, but there can be no assurance regarding the timing of, or timeframe over which, such divestiture or divestitures may occur, or the amount of proceeds received by the Company in connection with any such divestitures.

In addition, while it is intended that the transaction be tax-free to the Company's stockholders for U.S. federal income tax purposes, there is no assurance that the transactions will qualify for this treatment. If the spin-off is ultimately determined to be taxable, the Company, Solventum, or the Company's stockholders could incur income tax liabilities that could be significant. Any of these factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, and the price of our common stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities: Repurchases of 3M common stock are made to support the Company's stock-based employee compensation plans and for other corporate purposes. In November 2018, 3M's Board of Directors replaced the Company's February 2016 repurchase program with a new repurchase program. This new program authorizes the repurchase of up to $10 billion of 3M's outstanding common stock, with no pre-established end date.

Issuer Purchases of Equity Securities (registered pursuant to Section 12 of the Exchange Act)

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs (Millions)
January 1 - 31, 2024	—	$ —	—	$ 4,157
February 1 - 29, 2024	—	—	—	4,157
March 1 - 31, 2024	—	—	—	4,157
January 1 - March 31, 2024	—	—	—	
April 1 - 30, 2024	2,177,941	91.82	2,177,941	3,957
May 1 - 31, 2024	—	—	—	3,957
June 1 - 30, 2024	1,992,549	100.36	1,992,549	3,757
April 1 - June 30, 2024	4,170,490	95.90	4,170,490	
January 1 - June 30, 2024	4,170,490	$ 95.90	4,170,490	

(1) The total number of shares purchased includes: (i) shares purchased under the Board's authorizations described above, and (ii) shares purchased in connection with the exercise of stock options.

(2) The total number of shares purchased as part of publicly announced plans or programs includes shares purchased under the Board's authorizations described above.

Item 3. Defaults Upon Senior Securities — No matters require disclosure.

Item 4. Mine Safety Disclosures

Pursuant to Section 1503 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), the Company is required to disclose, in connection with the mines it operates, information concerning mine safety violations or other regulatory matters in its periodic reports filed with the SEC. The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Act is included in Exhibit 95 to this quarterly report.

Item 5. Other Information

Insider Trading Arrangements and Policies

During the quarter ended June 30, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Disclosure Under Iran Threat Reduction and Syria Human Rights Act of 2012

The Company is making the following disclosure under Section 13(r) of the Exchange Act:

Protection of Intellectual Property Rights in Iran Pursuant to Specific License

As part of its intellectual property ("IP") protection efforts, 3M has obtained and maintains patents and trademarks in Iran. Periodically, 3M pays renewal fees, through third-party IP service providers/counsel, to the Iran Intellectual Property Office ("IIPO") for these patents and trademarks and has sought to prosecute and defend such trademarks. On February 28, 2024, the Office of Foreign Assets Control ("OFAC") renewed 3M's specific license to make payments to IIPO at its account in Bank Melli, which was designated on November 5, 2018 by OFAC under its counter terrorism authority pursuant to Executive Order 13224. As authorized by OFAC's specific license, in the quarter ended June 30, 2024, 3M paid $167 as part of its intellectual property protection efforts in Iran. 3M plans to continue these IP rights protection activities, as authorized under the specific license.

Item 6. Exhibits

Filed herewith:

10.1^	Offer Letter of Employment of William Brown, dated March 8, 2024.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
32.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
95	Mine Safety Disclosures.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

^ Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

3M COMPANY

(Registrant)

Date: July 26, 2024

By /s/ Monish Patolawala

Monish Patolawala,

President and Chief Financial Officer (Mr. Patolawala is a Principal Financial Officer and has been duly authorized to sign on behalf of the Registrant.)

EXHIBIT 10.1

March 8, 2024

William Brown
c/o 3M Company
3M Center
St. Paul, Minnesota 55144

Dear Bill:

Congratulations! I am pleased to present this at-will employment offer for you to join 3M Company ("3M" or the "Company") as Chief Executive Officer, reporting to 3M's Board of Directors. We hope that you share our enthusiasm for the growth opportunities and rewards that will be available to you as a 3M employee. The terms of this offer are as follows:

Start Date

Your first day of employment with the Company is expected to be May 1, 2024 (your actual first day of employment, the "Start Date").

Cash Compensation

Your starting first year annual target cash compensation will be $4,950,000. This compensation is composed of an annual base salary of $1,800,000 paid in monthly installments and a short-term incentive compensation opportunity with a target value of $3,150,000 paid annually. Your annual base salary and short-term incentive compensation opportunity for 2024 will be prorated based on the portion of the year worked.

The actual short-term incentive compensation you receive will be determined in accordance with the terms of the 3M Annual Incentive Plan or any successor thereto and may be more or less than the target amount specified above for a variety of reasons, including 3M's performance against the goals established by the Compensation and Talent Committee of 3M's Board of Directors (the "Committee"), your individual job performance, and your satisfaction of applicable vesting requirements.

The amount of your target cash compensation will be reviewed at least annually and may be adjusted by 3M.

Hiring Bonus

You will receive a hiring bonus equal to $3,000,000. Enclosed is a copy of a Hiring Bonus Repayment Agreement, which requires you to repay all or a portion of the Hiring Bonus, less any taxes withheld by 3M at the time of payment, if, before the third anniversary of the Start Date, you resign from employment with the Company or the Company executes a written determination that you have engaged in an act of "Misconduct" (as defined in the 3M Company 2016 Long-Term Incentive Plan). Note that you will not be eligible for the Hiring Bonus until you have started your employment with 3M and payment of the Hiring Bonus is expressly conditioned upon your execution and return of the enclosed Hiring Bonus Repayment Agreement no later than thirty (30) days following the Start Date.

You will receive the Hiring Bonus within thirty (30) days of 3M's receipt of your executed Hiring Bonus Repayment Agreement.

Long-Term Incentives

You will be eligible to receive long-term incentive ("LTI") awards. These awards may be in the form of performance shares, stock options, restricted stock units, or another alternative based on 3M common stock. As discussed, the aggregate target value of your "annual" LTI awards is expected to be approximately $13,000,000, as reasonably determined by the Company in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation -- Stock Compensation ("FASB ASC Topic 718"), excluding the effect of forfeitures; *provided, however*, that the target grant value of all annual LTI awards you receive in 2024 will be prorated based on the Start Date. See "Initial Long-Term Incentive Awards" below for additional information regarding the prorated 2024 annual LTI awards.

The final target value of each LTI award you receive will be determined by the Committee in its discretion and may differ for a variety of reasons, including changes in external market surveys, job performance, and changes in your duties and responsibilities. The ultimate value of such awards will depend on a number of factors, such as the performance of 3M and the value of 3M common stock.

All long-term incentive compensation awards and amounts will be subject to the terms and conditions of the 3M Company 2016 Long-Term Incentive Plan or any successor thereto (the "LTIP") and the applicable award agreements, including terms related to the expiration or loss of awards or potential payments in the event of your termination of employment; *provided, however*, that, for purposes of all "annual" equity awards you receive during your employment with 3M, the terms "Retires" or "Retirement" will be defined to mean your termination of employment with 3M after attaining age sixty (60) with at least five (5) years of employment service.

Initial Long-Term Incentive Awards. In consideration of your execution of the Employee Agreement and as an inducement to join the Company, it will be recommended to the Board of Directors that you receive a special one-time inducement RSU award (the "Inducement RSU Award"), a special one-time inducement 2024 performance share award (the "Inducement PSA"), a pro rata 2024 performance share award (the "2024 PSA"), and a pro rata 2024 stock option grant (the "2024 Stock Option") under the LTIP no later than sixty (60) days following the Start Date (or, if the Company is in possession of material nonpublic information on the last day of such period, on the first trading day thereafter on which the Company is not, and has not been for at least three (3) consecutive full trading days, in possession of material nonpublic information). If approved as proposed, the terms of each award will be as described below.

RSU Award. The Inducement RSU Award will cover a number of shares of 3M common stock (each, a "Share") determined by dividing $2,500,000 by the closing trading price of a Share on the grant date and rounding the result up to the nearest whole Share. Subject to your continued employment, the RSUs subject to the Inducement RSU Award will vest in a series of equal installments on each of the first three (3) anniversaries of the grant date.

Performance Share Awards. The Inducement PSA and 2024 PSA will cover a target number of performance shares determined by dividing $2,500,000 and $4,333,333[1], respectively, by the closing trading price of a Share on the grant date and rounding the result up to the nearest whole share. Subject to your continued employment, the Inducement PSA and the 2024 PSA will vest in a single installment on Decemb

[1] If your actual start date is not May 1, 2024, the target grant values of the pro rata 2024 annual performance share award and pro rata 2024 annual stock option award will be adjusted so that the aggregate target grant value of such awards equals the result determined by multiplying $13,000,000 by a fraction, the numerator of which is the number of whole calendar months remaining in 2024 as of your actual start date and the denominator of which is 12.

er 31, 2026. The actual number of Shares that may be earned pursuant to the Inducement PSA and the 2024 PSA will depend on your continued employment with the Company and the extent to which the performance goals established for the awards are achieved. The performance period and performance goals for the Inducement PSA and 2024 PSA will be the same as those of the annual performance share awards made to 3M's other executive officers in 2024.

Stock Option. The 2024 Stock Option will be a nonqualified stock option covering a number of Shares determined by dividing $4,333,333[2] by the grant date fair value of a stock option covering one Share with an exercise price equal to the exercise price of the 2024 Stock Option, as reasonably determined by the Company in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The per Share exercise price of the 2024 Stock Option will equal the closing trading price of a Share on the grant date. The 2024 Stock Option will vest and become exercisable in a series of equal installments on each of the first three (3) anniversaries of the grant date, subject to your continued employment.

Other Terms and Conditions. The remaining terms and conditions of the Inducement RSU Award, Inducement PSA, 2024 PSA, and 2024 Stock Option will be as set forth in the LTIP and the applicable award agreements, including terms regarding the expiration or forfeiture of awards upon termination of employment.

Relocation

For this role, your primary office location will be 3M Headquarters in Maplewood, MN. Therefore, you will be required to relocate. To help with your relocation to the Minneapolis-Saint Paul metropolitan area, 3M will provide comprehensive relocation benefits in accordance with the enclosed Relocation Policy; *provided, however*, that notwithstanding anything to the contrary in the Relocation Policy, you will not be reimbursed for any expenses or receive any incentives or other benefits (e.g., marketing assistance, home sale assistance, or loss-on-sale assistance) related to the sale of your residence in Florida. If you have questions about 3M's Relocation Policy, please contact Hyun Gon Jung, Director, HR Benefits, at (651) 666-8119.

In addition to other applicable contingencies, this offer is contingent on your execution of the enclosed 3M Relocation Repayment Agreement.

Indemnification

As a senior executive of the Company, you will receive the same indemnification protections and directors' and officers' liability insurance coverage as that provided to the Company's other senior executives.

3M Total Compensation Package

Our total compensation package is one of the many benefits of joining 3M. This package goes beyond your cash compensation and long-term incentives and includes a broad range of benefits and services that can be tailored to your current life situation and adjusted periodically to fit your needs. You will receive additional information following commencement of employment.

Aircraft Use

For the safety and security of the Company's Chief Executive Officer, 3M's Policy on Private Aircraft Use requires the Chief Executive Officer to use private aircraft for all business and personal travel. As this precaution is being taken for the benefit of the Company and its shareholders and is not optional for the Company's Chief Executive Officer, past Chief Executive Officers have not been asked to reimburse the Company for any portion of the expenses associated with such travel. The Committee,

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[2] See footnote 1 above.

however, reserves the right to ask you to repay a portion of the incremental cost associated with your personal use of 3M's aircraft or other private aircraft, as calculated for proxy reporting purposes.

Vacation

Executives are not required to track vacation usage. We acknowledge the demands and expectations of your role and support your use of judgment to take care of your well-being. Along those lines, we anticipate you will utilize around five weeks of vacation time annually.

Withholding

All compensation and benefits payable to you pursuant to the terms of this offer letter or otherwise will be subject to deduction of all Federal and state income taxes and all other taxes and amounts 3M may be required to collect or withhold.

Reservation of Rights

3M reserves the right at any time to make changes to or terminate its compensation and benefit plans, including incentive compensation plans. These changes could impact your eligibility to receive compensation and benefits under these plans, the time and form of payment, as well as changes in the factors and formulas for measuring performance and converting that performance into payments. Any such changes could affect your ability to earn compensation (including incentive compensation) after the change(s) take effect. 3M also reserves the right to make changes in the allocation of your planned total cash compensation between base salary and short-term incentive compensation.

Direct Deposit

3M is a direct deposit employer. Payments to employees are made via direct deposit. You will be expected to provide personal bank account information to 3M on the effective date of employment. 3M will respect and comply with your rights in accordance with Federal and state regulations.

Previous Agreement(s) with other employers

By accepting this offer, you are representing to 3M that you have checked, and you are subject to no binding contractual or other legal restrictions that would prevent you from performing the duties of the position offered to you. In addition to the other contingencies set forth in this offer, this offer is contingent upon 3M's verification that you are not subject to any restrictions that would prevent (or make it unacceptably difficult) for you to perform the duties of the position being offered to you in 3M's judgment. As part of this verification process, you agree to cooperate with 3M by providing it with all contracts and other information available to you regarding restrictions arising from your past employment or other work associations that remain in effect and may place legal restrictions on you. If there are contracts or other restrictions that you cannot share with 3M due to confidentiality obligations or for some other reason, you agree to cooperate with 3M in identifying an alternative means (through legal counsel representing you or otherwise) for 3M to conduct the forgoing verification process to 3M's satisfaction. Your initial day of employment with the Company will not be established until this verification review has been completed. The failure to provide full, accurate and complete information and cooperation in this verification review process may result in the withdrawal of this offer and/or termination of your employment with 3M if you are already employed when the failure is discovered.

Employee Agreement

Prior to your first day of employment, you will be asked to sign a 3M Employee Agreement, as a condition of your employment. A blank copy of this agreement is enclosed for your review. The original, signed agreement will be retained by 3M. Employment with 3M is "at will," which means that either you or 3M may end the employment relationship at any time, for any reason or no reason, and with or without notice. Nothing in this offer of employment is intended to or does create an employment relationship that is not “at will.”

Stock Ownership Guidelines

You will be expected to maintain compliance with the Company’s Stock Ownership Guidelines, as in effect from time to time. Under the current terms of the guidelines, you will have five years to accumulate ownership of Shares having an aggregate market value equal to six times your annual base salary. A copy of the Company’s current Stock Ownership Guidelines is enclosed for your review.

Recoupment Policy

As a senior executive of the Company, certain compensation paid or provided to you will be subject to the terms of the Company’s Recoupment Policy, as in effect from time to time. A copy of the Recoupment Policy as currently in effect is enclosed for your review.

Additional Contingencies

Please note that in addition to the other contingencies outlined elsewhere in this offer, this offer also is contingent upon the satisfactory completion of the pre−employment background screening process. Because this offer is contingent upon all contingencies set forth in this offer, you should not resign from any boards of directors on which you are a member until 3M contacts you and confirms that all applicable contingencies have been cleared. Nothing is final until that time, and 3M will not confirm your first day of employment with the Company until it receives confirmation that all pre-employment contingencies have been satisfactorily met and confirms the same with you. Please carefully review the following information pertaining to the pre−employment background investigation authorization process at 3M.

Pre-Employment Background Investigation Authorization

3M will conduct a pre-employment background investigation on all individuals who have been given contingent offers of employment, as permitted by applicable law. If applicable law allows for pre-employment background screening, within 1 business day of your acceptance of this offer, you will receive an email from HireRight at the email address you provided in the employment application process. The email you receive will contain a link to HireRight’s secure web application, where you will be provided additional information to assist you in completing on−line submission and consent forms. When you complete your online background screening submission, you will be required to electronically acknowledge receipt of 3M’s Background Screening Disclosure & Authorization form and give your consent. This background screening submission step needs to be completed immediately upon receiving the email request. Enclosed is a copy of our Background Screening Disclosure & Authorization form. This background screening submission step needs to be completed immediately upon receiving the email request. To conduct your pre-employment background screening, we must have access to your Social Security Trace, which is conducted through a credit reporting agency, Experian. If you have an existing credit freeze with Experian, HireRight will not be able to complete this portion of your background screen which will further delay the pre-employment contingency process. At the time of initiating your pre-employment background screening with HireRight, we will ask that you unfreeze your credit to complete this component. Certain terms, conditions, and fees may apply.

Employment Eligibility Verification Form (Department of Justice I-9 Form)

Federal law requires companies to verify that new employees are United States citizens or foreign nationals who are authorized to work in the United States. 3M must comply with this law. On the first day of your employment, the law requires you to do the following:

1. Complete section one of an Employment Eligibility Verification Form (Department of Justice Form I-9); and

2. Provide acceptable documents, which identify and certify that you are a citizen of the United States or a foreign national who is authorized to work in the United States. A 3M representative will examine and copy these documents.

Please review the acceptable list of I-9 documents. Please review the list of acceptable documents and bring them to orientation on your first day of work or, if you are working remotely, follow the separate instructions that you will receive as part of your new employee paperwork. If you do not provide proper identification within three (3) business days of your Start Date, we will be required by law to terminate your employment with 3M.

3M Company participates in E-Verify. E-Verify is an internet-based system operated by the Department of Homeland Security (DHS) in partnership with the Social Security Administration (SSA) that allows participating employers to electronically verify the employment eligibility of their newly hired employees. As a participant in E-Verify, 3M will provide the SSA and, if necessary, the DHS, with information from each new employee's Form I-9 to confirm work authorization.

I trust this information will answer some of your questions, as well as convey our enthusiasm to bring you on board at 3M. I am happy to answer any outstanding questions you may have on the content of this offer.

Our culture fosters innovation to meet the needs of our customers, employees, investors, and community. We look forward to sharing a successful future with you, and we hope you'll accept our offer of employment.

Sincerely,

/s/ Zoe Dickson

Zoe Dickson
Executive Vice President and
Chief Human Resources Officer

Enclosures

EXHIBIT 31.1

SARBANES-OXLEY SECTION 302 CERTIFICATION

I, William M. Brown, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 3M Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ William M. Brown

William M. Brown
Chief Executive Officer

July 26, 2024

EXHIBIT 31.2

SARBANES-OXLEY SECTION 302 CERTIFICATION

I, Monish Patolawala, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 3M Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

/s/ Monish Patolawala

Monish Patolawala
President and Chief Financial Officer

July 26, 2024

EXHIBIT 32.1

SARBANES-OXLEY SECTION 906 CERTIFICATION

In connection with the Quarterly Report of 3M Company (the "Company") on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William M. Brown, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William M. Brown

William M. Brown
Chief Executive Officer

July 26, 2024

EXHIBIT 32.2

SARBANES-OXLEY SECTION 906 CERTIFICATION

In connection with the Quarterly Report of 3M Company (the "Company") on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Monish Patolawala, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Monish Patolawala

Monish Patolawala
President and Chief Financial Officer

July 26, 2024

EXHIBIT 95

MINE SAFETY DISCLOSURES

For the second quarter of 2024, the Company has the following mine safety information to report in accordance with Section 1503(a) of the Act, in connection with the Pittsboro, North Carolina mine, the Little Rock, Arkansas mine, the Corona, California mine, and the Wausau, Wisconsin mine (including Greystone Plant):

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations Orders (#)	Section 104(b) Orders (#)	Section 104(d) Citations and Orders (#)	Section 110(b)(2) Violations (#)	Section 107(a) Orders (#)	Total Dollar Value of MSHA Assessments Proposed ($)	Total Number of Mining Related Fatalities (#)	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)	Received Notice of Potential of Violations Under Section 104(e) (yes/no)	Legal Actions Pending as of Last Day of Period (#)	Aggregate Legal Actions Initiated During Period (#)	Aggregate Legal Action Resolved During Period (#)
3M Pittsboro ID: 3102153	—	—	—	—	—	$ 870	—	No	No	—	—	—
3M Little Rock ID: 0300426	—	—	—	—	—	—	—	No	No	—	—	1
3M Corona Plant ID: 0400191	1	—	—	—	—	—	—	No	No	—	—	—
Greystone Plant ID: 4700119	—	—	—	—	—	294	—	No	No	—	—	—
Wausau Plant ID: 4702918	1	—	—	—	—	726	—	No	No	—	—	—
Total	2	—	—	—	—	$ 1,890	—			—	—	1