



## **Lobbying and Political Activities Governance**

3M and its employees are engaged in our communities and may actively participate in government and public policymaking. These activities must always comply both with applicable laws and 3M's [Lobbying and Political Activities Principle](#). This statement explains 3M's principles and governance procedures and provides detailed information about 3M's lobbying, political activities and engagement with industry associations.

### **Executive and Board Oversight**

3M has established a [PAC Board](#) comprised of 3M executives to oversee political contributions of 3M (Corporate Advocacy Budget) and 3M's Political Action Committee (3M PAC). Contribution budgets are developed by 3M's Government Affairs organization with input from 3M businesses. These contribution budgets (both Corporate Advocacy and 3M PAC) are then reviewed and approved in advance by the PAC Board. Particular contributions from those budgets are considered and approved in advance by the Global Head of Government Affairs with the oversight of the PAC Board. The 3M PAC treasurer and legal counsel review each contribution for budgetary and legal compliance, respectively.

3M's positions on important public policy issues, its engagement in government and lawmaking processes, any specific policy or lawmaking engagements with industry trade associations, 3M's policies on political expenditures, and 3M and 3M PAC political contributions are reviewed periodically with the Chief Executive Officer and the PAC Board. The Global Head of Government Affairs also reports on these matters periodically to the Nominating and Governance Committee of 3M's Board of Directors.

### **Factors Considered in Evaluating Contribution Proposals**

3M's Government Affairs organization, with input from 3M executives and businesses, at least annually determines the key public policy issues that appear likely to affect the company's business interests globally. The resulting list of [Priority Public Policy Issues](#) guides 3M's engagement with public policymakers.

3M seeks to support candidates whose voting records or positions are, on balance, supportive of 3M's important business interests. 3M uses the following factors when considering contribution proposals:

- Voting record or position on 3M's Priority Public Policy Issues;
- Commitment to improving the climate for 3M businesses;
- Whether the candidate represents or seeks to represent areas in which 3M has facilities or significant business operations; and
- Whether the candidate is expected to hold a leadership position or work in areas of importance to 3M shareholders, employees, and communities.

3M recognizes that candidates who receive contributions from 3M or the 3M PAC will not necessarily agree with 3M's positions on all public policy issues. Individual contribution decisions are made without regard to the personal political preferences of individual executives or other employees.

3M does not contribute to political candidates outside the United States.

### **3M Political Action Committee**

Administered by 3M employees with the oversight of the PAC Board, 3M PAC makes contributions to U.S. federal and, where permitted, state or local candidates, parties and political committees. Employee contributions to 3M PAC are entirely voluntarily; 3M does not require any employee to contribute to the 3M PAC, and 3M does not reimburse any person for any political contribution.

All 3M PAC receipts, disbursements and contributions are publicly disclosed as required by law. 3M's reports are available on the [Federal Election Commission](#) and corresponding state websites.

### **Corporate Contributions**

Some U.S. state and local governments allow companies like 3M to contribute to candidates, political committees and ballot measures. Corporate contributions are part of the Corporate Advocacy Budget that is reviewed and approved by the 3M PAC Board. Attached is a detailed listing of state and local candidates and party committees that [3M has contributed](#) to in the current year and preceding years, back to 2013. We will update this listing twice a year.

### **Grassroots Lobbying**

"Grassroots lobbying" refers to any communication that is aimed at mass mobilization of the public on a specific legislative proposal or ballot initiative and that encourages the recipient of the communication to take specific action with respect to the legislative proposal. 3M has not engaged in grassroots lobbying, as so defined, and has no plans to do so. Should 3M's position change, we will disclose any grassroots lobbying efforts here.

### **Contributions to Section 527 Organizations and Independent Expenditures**

3M uses the term "527 organizations" to refer to political organizations created under Section 527 of the Internal Revenue Code other than political action committees and candidate or party committees. Attached is a detailed listing of [3M contributions](#) to 527 organizations in the current year and preceding years, back to 2013. We will update this listing twice a year.

3M has not made any independent expenditures and going forward has no intention of doing so. Should 3M's position change, we will list such contributions here.

## Lobbying

Issue-based advocacy or “lobbying” is an important and appropriate way for 3M to communicate with lawmakers and regulators about the business interests of 3M and its employees, shareholders and communities. Often 3M relies on professionals, both inside and outside of the company, who bring public policy and communications expertise to bear on legislative, regulatory and public policy discussions. 3M’s [Lobbying and Political Activities Principle](#) requires that 3M employees and those acting on our behalf comply with all applicable lobbying laws and regulations.

Lobbying is highly regulated in the United States through a variety of state and federal registration and reporting laws. At the federal level, each quarter 3M files with the Office of the Clerk of the U.S. House of Representatives and the Secretary of the U.S. Senate a report that lists the issues on which 3M has conducted “lobbying activities.” These quarterly lobbying disclosure reports are available by searching 3M as “registrant” in the [House](#) or [Senate databases](#). State lobbying reports are available to the public on the corollary state websites.

## Trade and Industry Associations; Social Welfare Organizations; Model Legislation

3M’s participation in trade associations can offer significant benefits by providing access to business, technical and industry benchmarking data and standard-setting expertise, and by advancing the company’s commercial interests. Before joining a trade or industry association, 3M’s Ethics and Compliance department performs an integrity assessment to assess whether the association complies with 3M’s operating and business principles. Some associations may engage in lobbying on behalf of their members. In those instances, 3M asks trade associations to which it belongs to disclose the portion of any 3M dues that are used for lobbying purposes. 3M’s total lobbying expenses, as identified in 3M’s quarterly lobbying disclosure reports, include the portion of trade association dues that 3M was notified were used by associations for lobbying activities.

Below, for each trade association, is a list of the amount of trade association dues allocated for lobbying purposes (\$25,000 or greater) for the previous calendar year:

- U.S. Chamber of Commerce = \$975,000
- Business Roundtable = \$75,000
- Association for Accessible Medicines = \$60,000
- Minnesota Chamber of Commerce = \$55,000
- Advanced Medical Technology Association = \$30,579
- National Association of Manufacturers = \$30,000

3M may advise the trade associations in which it participates of 3M’s views on important public policies. 3M recognizes, however, that its positions do not always align entirely with those of the industry and trade organizations to which 3M belongs, given the wide range of issues addressed by these

organizations and the divergent views and interests of their members. Nevertheless, 3M believes that the overall benefit of its memberships in trade associations outweighs any differences that may from time to time arise. 3M will continue to post its positions on important public policy issues on 3M's [Corporate Governance](#) website to promote transparency and to ensure that stakeholders have visibility to 3M's public policy positions. 3M regularly re-evaluates its memberships in trade associations to ensure that, on balance, they continue to serve the long-term interests of the company and its stakeholders. 3M does not contribute to independent-expenditure-only political committees associated with trade associations or permit its contributions to be used for federal election activities.

Some tax-exempt organizations are organized under U.S. Internal Revenue Code §501(c)(4). Known as "social welfare" organizations, these entities may engage in lobbying activities related to their primary purpose. If any portion of any 3M dues or other contribution in excess of \$25,000 are allocated to lobbying activities, 3M will disclose here the association and amount so allocated.

3M is aware that some organizations develop model legislation to advance the interests of their members. 3M generally supports such efforts where the organization is transparent in its advocacy and any model legislation supports 3M's business interests, such as model legislation to improve highway safety. 3M is also aware that some groups write and endorse model legislation without the appropriate transparency as to the person or group actually supporting the model legislation. 3M does not support such groups. Accordingly, 3M has not been a member in groups such as the American Legislative Exchange Council (ALEC).

## **Compliance**

3M conducts regular trainings, compliance system reviews and internal audits to ensure all PAC and corporate political contributions are made in accordance with applicable law and company policies.

### **Anti-Bribery Policy**

3M prohibits bribery. 3M employees and any third party to whom our Code of Conduct applies must not provide, offer or accept bribes, kickbacks, corrupt payments, facilitation payments or inappropriate gifts, to or from Government Officials or any commercial person or entity, regardless of local practices or customs. All 3M employees and any third party acting on behalf of 3M's behalf must comply with all applicable anti-bribery laws and regulations, including but not limited to the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act (UKBA).

[Click here for a link to 3M's complete Anti-Bribery Principle.](#)

### **Hiring Former and Current Government Employees or Their Relatives Policy**

Hiring or discussing possible employment with former and current government employees or their relatives could create the perception that 3M is attempting to influence or reward government decisions to purchase 3M's products or to influence how laws and regulations affecting 3M are enforced. [Click here for a link to 3M's global policy on Hiring Former and Current Government Employees or Their Relatives Policy.](#) In the event a former government employee or relative is hired, 3M adheres to all local and

national laws on “cooling off” periods before they are permitted to represent 3M before or with their former government employer.

**Contracting Services with Elected Officials**

3M does not contract for services with or from sitting elected officials.

*Updated March 2021*