

2022 Third Quarter Earnings

(unaudited)

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Forward looking statement

This presentation contains forward-looking information about 3M's financial results and estimates and business prospects that involve substantial risks and uncertainties. You can identify these statements by the use of words such as "anticipate," "estimate," "expect," "aim," "project," "intend," "plan," "believe," "will," "should," "could," "target," "forecast" and other words and terms of similar meaning in connection with any discussion of future operating or financial performance or business plans or prospects. Among the factors that could cause actual results to differ materially are the following: (1) worldwide economic, political, regulatory, capital markets and other external conditions and other factors beyond the Company's control, including natural and other disasters or climate change affecting the operations of the Company or its customers and suppliers; (2) risks related to public health crises such as the global pandemic associated with the coronavirus (COVID-19); (3) foreign currency exchange rates and fluctuations in those rates; (4) liabilities related to certain fluorochemicals, including lawsuits concerning various PFAS-related products and chemistries, and claims and governmental regulatory proceedings and inquiries related to PFAS in a variety of jurisdictions; (5) legal proceedings, including significant developments that could occur in the legal and regulatory proceedings described in the Company's Annual Report on Form 10-K for the year ended Dec. 31, 2021, as updated by the Company's Current Report on Form 8-K dated April 26, 2022, and any subsequent quarterly reports on Form 10-Q (the "Reports"); (6) competitive conditions and customer preferences; (7) the timing and market acceptance of new product offerings; (8) the availability and cost of purchased components, compounds, raw materials and energy (including oil and natural gas and their derivatives) due to shortages, increased demand or supply interruptions (including those caused by natural and other disasters and other events); (9) 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; (10) the impact of acquisitions, strategic alliances, divestitures, and other unusual events resulting from portfolio management actions and other evolving business strategies, and possible organizational restructuring; (11) operational execution, including scenarios where the Company generates fewer productivity improvements than estimated; (12) financial market risks that may affect the Company's funding obligations under defined benefit pension and postretirement plans; (13) the Company's credit ratings and its cost of capital; (14) tax-related external conditions, including changes in tax rates, laws or regulations; (15) matters relating to the proposed spin-off of the Company's Health Care business, including whether the transaction will be completed, or if completed, will be on the expected terms; the risk that the expected benefits will not be realized; the risk that the costs or dis-synergies will exceed the anticipated amounts; the ability to satisfy the various closing conditions; potential business disruption; the diversion of management time; the impact of the transaction (or its pendency) 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 (including whether an Internal Revenue Service private letter ruling will be sought or obtained); the risk that any consents or approvals required will not be obtained; risks associated with financings that may be undertaken and indebtedness that may be incurred in connection with the transaction; and (16) matters relating to the voluntary chapter 11 proceedings of the Company's subsidiary Aearo Technologies and certain of its affiliates (the "Aearo Entities"), including legal risks related to the chapter 11 proceedings; potential impacts to the Company's reputation and its relationships with customers, suppliers, employees, regulators and other counterparties and community members; potential impacts to the Company's liquidity or results of operations, including risks related to the amount that will be necessary to fully and finally resolve all of the Company's obligations to make payments to resolve such claims under the terms of its funding and indemnification agreement with the Aearo Entities; and the Aearo Entities' ability to navigate the chapter 11 proceedings to obtain approval and consummation of a plan of reorganization. Changes in such assumptions or factors could produce significantly different results. A further description of these factors is located in the Reports under "Cautionary Note Concerning Factors That May Affect Future Results" and "Risk Factors" in Part I, Items 1 and 1A (Annual Report) and in Part I, Item 2 and Part II, Item 1A (Quarterly Reports). The Company assumes no obligation to update any forward-looking statements discussed herein as a result of new information or future events or developments.

Note on non-GAAP financial measures

This presentation refers to certain non-GAAP financial measures. Refer to 3M's October 25, 2022, press release for descriptions of non-GAAP financial measures such as free cash flow, adjusted free cash flow, free cash flow conversion, adjusted free cash flow conversion, net debt, adjusted EBITDA, and various measures that adjust for the impacts of special items. These non-GAAP measures are not in accordance with, nor are they a substitute for, GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in that press release.

Executing in a challenging environment while positioning 3M for long-term growth

- Q3 performance
 - Delivered year-on-year organic growth, adjusted operating margins and cash flow while managing through an uncertain global macroeconomic and geopolitical environment, and continued U.S. dollar strength
 - Executing our strategy to drive growth, improve operational execution, and generate strong cash flow to create long-term value for customers, employees and shareholders
 - Updating full-year expectations to reflect continued U.S. dollar strength and ongoing macroeconomic and geopolitical uncertainty
- Positioning our company for long-term growth
 - Continue to invest in growth, productivity, and sustainability
 - Completed Food Safety divestiture; received ~\$1B in consideration and reduced outstanding shares by 16M via exchange offer
 - Established dedicated team to create a leading global diversified healthcare company and a more focused 3M
 - Divested consumer skin care brands Neobun™ and Neoplast™ in Thailand
- Making progress on Combat Arms litigation strategy and proactively managing PFAS

Q3 2022

Organic growth

+2.0%

Includes (~1.4 ppt) headwind from disposable respirator decline

Adjusted operating margin

21.5%

Adjusted earnings per share

\$2.69

Q3 2022 operating margin and EPS

	Adjusted operating margin	Adjusted earnings per share	Commentary
Q3 2021	21.1%	\$2.58	
Total organic growth/productivity/other	+2.9%	+\$0.41	
Disposable respirator	-0.3%	-\$0.07	• Decline in COVID-related disposable respirator demand
Remaining organic growth/productivity/other	+3.2%	+\$0.48	• Strong pricing, spending discipline, and ongoing benefits from productivity actions • Continued headwinds from global supply chain challenges and geopolitical impacts • Investments in growth, productivity, and sustainability
Raw material	-2.6%	-\$0.31	• Raw material and logistics cost inflation
FX	+0.1%	-\$0.12	• Increasing U.S. dollar strength
Divestiture*	0.0%	-\$0.02	• Food Safety divestiture; Aearo Technologies deconsolidation
Other expense/income	NA	\$0.00	• Primarily non-operating pension expense offset by lower net interest expense
Adjusted tax rate**	NA	+\$0.07	• Q3 2022 adjusted tax rate of 16.2% versus 18.5% in Q3 2021
Shares outstanding	NA	+\$0.08	• Average diluted shares down ~3%
Q3 2022	21.5%	\$2.69	

* Includes lost income from divested businesses and remaining stranded costs (net of transition arrangement income).

** The effect of income taxes on items that had specific tax rates are reflected within their respective impacts in the table above.

Q3 2022 cash flow and balance sheet

Adjusted free cash flow

\$1.4B

Adjusted free cash flow
conversion

88%

Cash returned to
shareholders

\$1.0B

Adjusted free cash flow.

- Q3: \$1.4B, down 16% YoY; YTD: \$3.0B, down 35% YoY

Adjusted free cash flow
conversion

- Expect full-year adjusted free cash flow conversion in the range of 85% to 95%
- Q3: 88%, down 19 pts YoY; YTD: 68%, down 28 pts YoY
- Q3 YoY decline impacted by working capital; increase in capex for growth and sustainability investments; cash impact from capitalization of R&D for U.S. tax purposes

Capital expenditures

- Q3: \$435M, up 27% YoY; YTD: \$1.2B, up 19% YoY
- Full-year range of \$1.75B to \$1.85B vs. \$1.7B to \$2.0B prior

Net debt

- Q3: \$12.1B, down 3% YoY

Capital returned to
shareholders

- Q3: dividends \$850M; share repurchases \$155M (resumed following Food Safety divestiture)
- YTD: dividends \$2.6B; share repurchases \$0.9B
- Reduced outstanding shares by 16M via exchange offer due to Food Safety divestiture



Business Group performance

Safety & Industrial

Transportation & Electronics

Health Care

Consumer

Business Group performance

Q3 2022	Organic growth Adjusted operating margin	Commentary
Safety & Industrial	1.7% 23.2%	<ul style="list-style-type: none"> Organic growth in automotive aftermarket, roofing granules, electrical markets, abrasives, closure and masking systems, and industrial adhesives and tapes; personal safety declined Disposable respirator sales declined ~\$130M, or -34% organically YoY; reduced segment organic growth by 4.6 pts Adjusted operating margins +2.5 pts YoY; benefits from selling price actions, strong spending discipline and restructuring actions more than offset increased raw materials/logistics costs and manufacturing productivity headwinds
Transportation & Electronics	3.0% 21.2%	<ul style="list-style-type: none"> Organic growth in automotive OEM, commercial solutions, and advanced materials; electronics and transportation safety declined Semiconductor supply chain challenges continue; consumer electronics demand softening Operating margins +2.5 pts YoY; benefits from selling price actions, strong spending discipline and restructuring actions more than offset increased raw materials/logistics costs and manufacturing productivity headwinds
Health Care	1.7% 21.8%	<ul style="list-style-type: none"> Organic growth in medical solutions, food safety, separation and purification sciences, and health information systems; oral care declined Operating margins -1.7 pts YoY; impacted by increased raw materials/logistics costs, manufacturing productivity headwinds, and investments; partially offset by selling price actions, strong spending discipline, and benefits from productivity actions Adjusted EBITDA margin of 29.1% Healthcare elective procedure and oral care volumes approximately 90% of pre-COVID levels
Consumer	1.5% 21.3%	<ul style="list-style-type: none"> Organic growth in consumer health and safety, stationery and office, and home care; home improvement declined Operating margins -20 bps YoY; benefits from selling price actions, strong spending discipline, and restructuring actions mostly offset increased raw materials/logistics and outsourced hardgoods manufacturing costs, manufacturing productivity headwinds, and investments



2022 outlook

2022 planning estimates

Updated expectations reflect ongoing U.S. dollar strength and macro uncertainty

Organic sales growth
1.5% to 2.0%

Adjusted earnings per share
\$10.10 to \$10.35

Adjusted free cash flow conversion
85% to 95%

2022 full-year

- IPI & GDP: ~3%; ongoing fluid and uncertain macroeconomic and geopolitical environment
- Disposable respirator impact of -1.5% on organic growth
- Consumer spending softening due to inflationary pressures
- FX impact on total sales growth: -4.5% vs. -4% prior; increasing U.S. dollar strength
- Monitoring Greater China region COVID-related actions
- Raw material/logistics inflation of \$750M to \$850M, unchanged
- Continued global supply chain challenges
- Adjusted tax rate: 17.5% to 18.5% vs. 18.5% to 19.5% prior

Implied Q4

- Total sales in range of \$7.9B to \$8.2B; includes -7% FX impact
- Organic growth in range of 1.0% to 3.0%; includes -2% impact from decline in disposable respirator demand
- Adjusted operating margins in range of 20% to 21%

Trends to watch for 2023

- Macroeconomic and geopolitical environment
- Foreign currency exchange trends
- Evolving COVID-related impacts including on disposable respirator demand
- Increasing pace of secular end-market trends including in automotive, electronics, safety, digitization, and sustainability
- Easing raw material/logistics/labor inflation
- Stabilizing global supply chain environment



Q&A

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Appendix

Q3 2022 P&L

(\$M)	Q3 2022	Q3 2021	Change
Sales	\$8,619	\$8,942	-3.6%
Gross profit	\$3,891	\$4,089	-4.8%
% to sales	45.1%	45.7%	-0.6 pts
SG&A	\$1,998	\$1,819	+9.8%
% to sales	23.1%	20.3%	+2.8 pts
R&D & related	\$461	\$482	-4.2%
% to sales	5.4%	5.4%	— pts
Gain on sale of businesses	\$(2,724)	—	+100.0%
% to sales	-31.6%	—	-31.6 pts
Operating income	\$4,156	\$1,788	+132.5%
% to sales	48.2%	20.0%	+28.2 pts
Net income	\$3,859	\$1,434	+169.1%
GAAP earnings per share	\$6.77	\$2.45	+176.8%

Q3 2022 sales recap

	Americas	EMEA	APAC	Worldwide
Organic growth	+2.3%	-0.3%	+2.8%	+2.0%
Acquisitions/divestitures	-0.7%	-0.2%	-0.5%	-0.5%
FX	-0.5%	-12.9%	-8.3%	-5.1%
Total growth	+1.1%	-13.4%	-6.0%	-3.6%

	U.S.	Canada	Mexico	Brazil	China/HK	Japan
Organic growth	—%	+14%	+14%	+11%	+8%	—%

Business segment information

(\$M)	Net Sales		Q3 2022 Sales Growth				Adjusted Operating Income*			Adjusted Operating Margin*	
Business groups	Q3 2022	Q3 2021	Organic growth	FX	M&A	Total Sales Change	Q3 2022	Q3 2021	Percent change	Q3 2022	Q3 2021
Safety & Industrial	\$2,894	\$3,005	1.7%	-5.4%	—%	-3.7%	\$673	\$622	8.2%	23.2%	20.7%
Transportation & Electronics	\$2,239	\$2,327	3.0%	-6.0%	-0.8%	-3.8%	\$474	\$435	9.1%	21.2%	18.7%
Health Care	\$2,076	\$2,173	1.7%	-4.8%	-1.3%	-4.4%	\$452	\$510	-11.3%	21.8%	23.5%
Consumer	\$1,409	\$1,434	1.5%	-3.2%	—%	-1.7%	\$299	\$308	-3.0%	21.3%	21.5%
Total Operating Business Segment							\$1,898	\$1,875			
Corporate & Unallocated	\$1	\$3					\$(43)	\$10			
Total	\$8,619	\$8,942	2.0%	-5.1%	-0.5%	-3.6%	\$1,855	\$1,885	-1.6%	21.5%	21.1%

*"Safety & Industrial", "Corporate & Unallocated", "Total Operating Business Segment" and "Total" provided on an adjusted basis
Organic growth = organic volume + price

Additional sales detail

(\$M)	Net Sales	
Business groups	Q3 2022	Q3 2021
Abrasives	339	332
Automotive Aftermarket	316	293
Closure and Masking Systems	266	264
Electrical Materials	331	316
Industrial Adhesives & Tapes	598	594
Personal Safety	922	1,098
Roofing Granules	122	109
Other Safety & Industrial	—	(1)
Total Safety & Industrial Business Group	2,894	3,005
Advanced Materials	297	303
Automotive & Aerospace	437	415
Commercial Solutions	459	444
Electronics	813	917
Transportation Safety	233	247
Other Transportation & Electronics	—	1
Total Transportation & Electronics Business Group	2,239	2,327

(\$M)	Net Sales	
Business groups	Q3 2022	Q3 2021
Food Safety	63	94
Health Information Systems	312	309
Medical Solutions	1,150	1,169
Oral Care	314	357
Separation & Purification Sciences	229	243
Other Health Care	8	1
Total Health Care Business Group	2,076	2,173
Consumer Health & Safety	146	145
Home Care	265	272
Home Improvement	663	680
Stationery & Office	335	338
Other Consumer	—	(1)
Total Consumer Business Group	1,409	1,434
Corporate & Unallocated	1	3
Total 3M	8,619	8,942

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