



Environmental, Health and Safety Standard

Product Carbon Footprint Offsets Standard

Applies To	This standard applies to all 3M products.
Introduction	<p>3M's Greenhouse Gas (GHG) Management Policy requires the GHG emissions related to 3M products to comply with local government emissions standards and the 3M requirements as listed in this standard. This standard requires that all product carbon footprint (life cycle GHG emissions) offsets will be managed by 3M Environmental Operations as designated representative of the 3M Climate Change Steering Committee.</p> <p>This standard will clarify the specific actions required to comply with the requirements of the GHG Management Policy.</p>
Standard Statement	The calculation of product carbon footprints and the management of product carbon offsets must comply with the following standard requirements.
Standard Requirements	<p>These requirements apply to all product carbon footprint calculations and product carbon offsets:</p> <ol style="list-style-type: none">1. Product carbon footprint calculations must use a nationally or internationally recognized methodology.<ul style="list-style-type: none">• If the product is going to be marketed only in a local/national market, a nationally recognized or accredited methodology must be used for the product carbon footprint calculation.• If the product is going to be marketed internationally (beyond a local/national market), an internationally recognized or accredited methodology must be used for the product carbon footprint calculation (e.g. WRI/WBCSD GHG Protocol Product Life Cycle Accounting and Reporting Standard).2. Standard and approved product carbon footprint (life cycle CO₂ assessment) tools must be used for the product carbon footprint calculation.<ul style="list-style-type: none">• The tools for the life cycle CO₂ calculations must be locally/nationally accepted or approved for products being marketed in a local/national market.• The tools for the life cycle CO₂ calculations must be globally accepted or approved for products being marketed globally (e.g. GaBi 5 software and databases).3. The product carbon offsets must be valid offsets managed in accordance to a recognized standard and must be valid offsets in their country of use or valid globally. Acceptable qualified offsets include:<ul style="list-style-type: none">• Voluntary Carbon Standard (VCSs) offsets from Certified

Emission Reductions (CERs)

- Renewable Energy Credits (RECs) from Verified Emission Reductions (VERs)
4. Prior to the purchase of product carbon offsets, 3M Environmental Operations must be consulted on the proposed transaction. Purchase of product carbon offsets must be reported to 3M Environmental Operations and 3M Treasury management. Reporting of offset transactions shall be conducted on a quarterly basis and shall include: 1) amount of time offsets will be used (years/months), 2) quantity of offsets purchased (metric tons CO₂-eq), 3) cost of the offsets purchased per metric ton (\$ per metric ton CO₂-eq), 4) name of entity from which the offsets were purchased, and 5) protocol or standard used to quantify/verify the offsets.
 5. Purchase of product carbon offsets must be authorized by 3M Treasury if greater than \$0.5 million in value.

Definitions

For purposes of this policy, the following definitions apply:

Carbon Footprint – The greenhouse gas (CO₂-equivalent) emissions resulting from a product across its entire life cycle (from raw material acquisition or generation of natural resources to end-of-life).

GHG Emissions – GHGs include the six gases listed in the Kyoto Protocol (carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆)), and any other greenhouse gas included in 3M’s corporate greenhouse gas inventory (contact the 3M Environmental Lab for information on the other GHGs).

Methodology – A publically available specification or a globally accepted or approved GHG Protocol or Standard for product carbon footprint.

Offsets – Discrete GHG reduction activities undertaken to compensate for emissions elsewhere, for example, to meet a voluntary or mandatory GHG target or cap. The reduction must occur at sources or sinks not included in the target or cap for which they are used.

Related Information

British Standards Institute PAS 2050
WRI/WBCSD GHG Protocol Product Life Cycle Accounting and Reporting Standard

For Further Information

Contact Environmental Operations at 651-737-3594 or Treasurers Division at 651-736-2380, St. Paul, Minnesota.

Approved By

Climate Change Steering Committee