

Internal Controls, Financial Reporting, Document Retention and Auditing Policy

Policy statement

3M management is responsible for the preparation of complete and accurate annual and quarterly consolidated financial statements in accordance with generally accepted accounting principles and for maintaining appropriate accounting and financial reporting principles and policies and internal controls designed to assure compliance with accounting standards, laws and regulations.

It is 3M policy that employees and others acting on 3M's behalf have a responsibility for the accuracy, thoroughness and timeliness of actual and forecasted financial information and for compliance with 3M's internal controls over financial reporting, disclosure controls and procedures, document retention and auditing policies. We ensure compliance with these policies through our internal and independent auditors, and by monitoring the integrity of our financial management and reporting systems.

What it means

Internal controls

- Maintain and enter complete, accurate, and timely records and accounts for all business transactions, corporate assets and funds, and corporate liabilities.
- If you seek approval for expenditures from your supervisor, only do so for legitimate purposes and be sure to supply all pertinent and accurate documentation.
- If you have the authority to approve expenditures, be sure to exercise your authority only after considering whether the expenditure satisfies corporate policies. Take your approval authority seriously. You may be allowed to delegate it in some circumstances, but you retain ultimate responsibility for the use of your delegated authority. The delegation must be accompanied by clear instructions and ongoing oversight.
- Follow disclosure controls and procedures to ensure that important information is recorded, processed, summarized and communicated to the appropriate employees in St. Paul in Corporate Accounting and/or Corporate Auditing so that an assessment can be made of the need to disclose developments, risks and other material information that pertains to 3M's businesses.
- Use corporate resources effectively and efficiently.

- Safeguard all physical, financial, informational and other company assets.
- Seek reimbursement only for expenses incurred for 3M's benefit.

Financial reporting

- Provide full, fair, accurate, timely and understandable financial and other information in internal reports and in any communication that you know may be relied upon in news releases or documents filed with or submitted to the Securities and Exchange Commission, any other government agency or self-regulatory organization.
- Book revenue and expenses in the appropriate accounting period, using accruals as necessary.

Document retention

Retain records, e-mails and other documents and electronic files in accordance with [3M's Record Retention Policy](#) or applicable law, whichever calls for a longer retention period. If you aware that any legal proceeding involving the company is threatened or has begun, immediately take steps to preserve all potentially pertinent records and files and promptly contact your assigned 3M legal counsel.

Cooperation with internal and outside auditors

- Cooperate fully and provide full and complete information to 3M internal auditors and 3M's independent certified public accountants.

Audit Committee process for handling complaints about accounting or auditing matters

- The Audit Committee has established a process for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, financial reporting and auditing matters, including the confidential, anonymous submission of such complaints. You may anonymously report such complaints by calling the Business Conduct Helpline (1-800-243-0857 or 651-737-5295) or by writing the 3M General Auditor, 3M Corporate Auditing Department, 3M Center 224-06-N-11, St. Paul, MN 55144-1000. If you are a 3M employee, you can leave an anonymous electronic message on the 3M employee Business Conduct Web site (<http://3msource.mmm.com/businessconduct>). From that site, click the "Report a Violation" box, which opens up an electronic message form you can use to make your report. The message form gives you the option to remain anonymous, although choosing that option means you will not be able to receive a follow-up response. You can learn more about anonymous reporting options in the *What If You Wish to Remain*

Anonymous section of this manual. All complaints will be investigated, and appropriate corrective action will be taken when warranted.

- 3M prohibits retaliation against anyone who raises a business conduct concern or cooperates in a company investigation.

What to avoid

- Using 3M funds or property for any unlawful, improper or unethical purpose.
- Financial reporting that is inconsistent with actual performance.
- Inaccurate financial records, such as overstated travel and living expense reports, or erroneous time sheets or invoices.
- Failure to follow 3M's revenue recognition requirements.
- Circumventing review and approval procedures.
- Describing an expenditure for one purpose when, in fact, it is being made for something else.