



Company & Culture

Ethics & Compliance

Code of Conduct

Internal Controls Principle Translations

Internal Controls, Financial Reporting, Document Retention, and Auditing Principle

Principle Statement:

3M employees and third parties to whom this Principle applies are responsible and accountable for maintaining the integrity of 3M's financial reporting. 3M employees must (1) ensure that the records they create and use reflect the true nature of 3M's transactions, (2) follow all review and approval procedures for expenditures, and (3) comply with 3M internal controls and follow document retention requirements.

Employees are responsible 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 requirements. 3M ensures compliance with these requirements through our internal and independent audits and by monitoring the integrity of our financial management and reporting. Employees are required to cooperate fully and provide full and complete information when requested by 3M Corporate Auditors, 3M's independent external auditors, 3M Security, 3M Legal Affairs, or 3M's Ethics & Compliance Department.

Because 3M is a U.S. company, employees everywhere must comply with U.S. laws and regulations governing the accuracy of 3M's business records.

As a publicly traded U.S. company, 3M must comply with the Sarbanes-Oxley Act (SOX) requirements.

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.

Compliance with 3M's Global Sourcing Policy is expected.

Purpose:

3M generates countless business and financial records every day, including but not limited to purchase orders, contracts, manufacturing records, expense reports, invoices, manufacturing and laboratory data, regulatory reports to government entities, emails, timesheets, telephone logs, and many others. 3M's business records and financial reports must be accurate and comply with financial reporting requirements and regulations globally. Any failure to create and maintain correct and accurate business and financial records can pose legal and business risks for 3M. Truthful and accurate records are critical for making sound business decisions and maintaining the integrity of our tax returns, government-required financial disclosures, and other financial statements. 3M Management, the Board of Directors, our shareholders, financial institutions, rating agencies, and governments around the world rely on the accuracy of our financial records.

This Principle applies globally to all employees and may apply to those acting on behalf of 3M. See the Compliance Principle for information on when a third party might be covered by the Code of Conduct Principles.

Additional Guidance:

Refer to 3M's global Financial Reporting, Internal Controls and Tax Policies for more information on these topics. Additionally, refer to 3M's Global Financial Standards and Procedures for detailed procedures and additional requirements on financial activities, and contact your business unit's assigned 3M Finance Department staff with questions.

Internal controls

- Maintain and enter complete, accurate, and timely records and accounts for all business transactions, corporate assets and funds, and corporate liabilities.
- If employees seek approval for expenditures from their supervisor, only do so for legitimate business purposes and be sure to supply all pertinent and accurate documentation.
- Employees who have authority to approve expenditures must exercise their authority only after considering whether the expenditure satisfies corporate policies and must take the approval authority seriously. Employees may be allowed to delegate it in some circumstances, but they retain ultimate responsibility for the use of 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 Corporate Accounting and/or Corporate Auditing in St. Paul 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.
- Do not circumvent review and approval procedures.

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.
- Never use 3M funds or property for any unlawful, improper or unethical purpose.
- Do not execute financial reporting that is inconsistent with actual performance.
- Never provide inaccurate financial records, such as overstated travel and living expense reports, or erroneous time sheets or invoices.
- Always follow 3M's revenue recognition requirements.
- Never describe an expenditure for one purpose when, in fact, it is being made for something else.

Document retention

- Retain records, emails, and other documents and electronic files in accordance with 3M's Records Retention policy or applicable law, whichever calls for a longer retention period. Employees who become aware of any actual or potential legal proceeding or investigation involving the company or anything related to their job, must immediately take steps to preserve all potentially pertinent records and files and promptly notify their 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 in most countries, and auditing matters, including the confidential, anonymous submission of such complaints. Employees may report such complaints, remaining anonymous if desired, by calling 1-800-243-0857 or by writing the 3M General Auditor, 3M Corporate Auditing Department, 3M Center 224-06-N-11, St. Paul, MN 55144-1000. Employees may also report a complaint by going to 3M-Ethics.com, remaining anonymous if desired. Employees can learn more about anonymous reporting options in the "Report Concerns or Ask Questions" section of the Ethics & Compliance website. All reports will be reviewed and investigations will be conducted as necessary. Corrective action will be taken when warranted.
- 3M prohibits retaliation against anyone who raises a business conduct concern in good faith or cooperates in a company investigation.

Penalties:

3M's business records and financial reports must be accurate and comply with financial reporting laws and regulations globally. Failure to comply with these laws could lead to criminal and civil penalties for 3M and for you personally, significant business disruptions, and harm to 3M's reputation. Violations of 3M's Code of Conduct will result in discipline, up to and including termination from employment.

Related Information and Links:

- [3MEthics.com](https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=8897) (https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=8897)
- [Frequently Asked Questions](http://legalapps.mmm.com/legal/portal/C%26BC/Code/FAQ-InternalControls.pdf) (<http://legalapps.mmm.com/legal/portal/C%26BC/Code/FAQ-InternalControls.pdf>)