February 3, 2023

Aearo and 3M Maintain Focus on Resolving Combat Arms Litigation

ST. PAUL, Minn., Feb. 3, 2023 /PRNewswire/ -- Certain plaintiffs in the ongoing Combat Arms Earplugs Version 2 (CAEv2) litigation have filed a motion to dismiss Aearo's bankruptcy filing with the U.S. Bankruptcy Court in Indianapolis.



Aearo and 3M intend to continue to engage in mediation discussions toward a global resolution working with all parties, the mediators, and the courts. The motion to dismiss has no immediate impact on these ongoing efforts to resolve the litigation.

Aearo and 3M will remain focused on these discussions and to finding a path forward toward a prompt and complete resolution for all parties while they prepare their written response to the motion and for a future hearing.

The facts and circumstances of Aearo and 3M's efforts to resolve ongoing Combat Arms earplugs litigation are different from those involving the LTL Management case or a "Texas Two-Step" in many important ways, including:

- Aearo is a valid, existing business with more than 40 years of operating history.
    - The bankruptcy court has repeatedly reinforced Aearo's legitimacy, including in its opinion on the Preliminary Injunction.
    - The bankruptcy court expressly stated that the Aearo entities "are appropriate debtors with cognizable liabilities under the Bankruptcy Code" and "are named as defendants in most, if not nearly all, of the Actions."
- Aearo's case is in the Seventh Circuit. The standard for dismissal of a chapter 11 case varies among Circuit courts, as acknowledged by the Third Circuit in its decision.

If the motion to dismiss is granted and upheld on appeal, it would needlessly disrupt the well-established Chapter 11 process to return to protracted litigation in the mass tort system,

which after sixteen trials to-date has not provided clarity or certainty. The well-established Chapter 11 process is intended to reduce the cost and time that could otherwise be required for all parties to litigate on a case-by-case basis.

Aearo and 3M will continue to vigorously defend their position regarding this motion, in the multi-district litigation, and in pursuing their appeals. Oral arguments for the appeals of the initial bellwether trials, which include important legal and evidentiary issues, are scheduled to be held during the week of May 1, 2023, and could significantly alter the progression and outcome of this litigation.

3M has great respect for the brave men and women who protect us around the world, and their safety is our priority. We are proud of our commitment to keeping our military safe through the supply of 3M products and we will continue to defend the product at issue in this litigation.

Forward-Looking Statements

This news release 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, international trade, geopolitical, capital markets and other external conditions and other factors beyond the Company's control, including inflation, recession, military conflicts, natural and other disasters or climate change affecting the operations of the Company or its customers and suppliers; (2) risks related to unexpected events such as the public health crises associated with the coronavirus (COVID-19) global pandemic; (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 and service offerings; (8) the availability and cost of purchased components, compounds, raw materials and energy due to shortages, increased demand and wages or supply chain interruptions; (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 strategic 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 planned; (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; (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; and (17) matters relating to the Company's plans to exit PFAS manufacturing and discontinue use of PFAS across its product portfolio. 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.

About 3M

3M (NYSE: MMM) believes science helps create a brighter world for everyone. By unlocking the power of people, ideas and science to reimagine what's possible, our global team uniquely addresses the opportunities and challenges of our customers, communities, and planet. Learn how we're working to improve lives and make what's next at 3M.com/news or on Twitter at @3M or @3MNews.

Please note that the company announces material financial, business and operational information using the 3M investor relations website, SEC filings, press releases, public conference calls and webcasts. The company also uses the 3M news center and social media to communicate with our customers and the public about the company, products and services and other matters. It is possible that the information 3M posts on the news center and social media could be deemed to be material information. Therefore, the company encourages investors, the media and others interested in 3M to review the information posted on 3M's news center and the social media channels such as Twitter @3M or @3MNews.

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