

November 12, 2021

GRACOROBERTS
3200 AVENUE E E
ARLINGTON TX 76011-5231

RE: Force Majeure and Commercial Impracticability

Dear Valued Customer:

The Flemish Environmental Inspectorate, on October 29, 2021, imposed new safety measures on the 3M facility located in Zwijndrecht, Belgium, ordering 3M to immediately suspend certain PFAS-related manufacturing operations. This regulatory action was unexpected, given that we have been operating in compliance with a permit reissued most recently in 2020 and that we offered proof that our current operations do not pose a risk to public health or safety. We immediately filed an emergency request to suspend the safety measures with the Flemish Council of State. On November 5, 2021, the Flemish Council denied our request for a suspension. As a result, we have been forced to shut down certain manufacturing operations while we continue to challenge the order in the courts. Due to this restriction, we anticipate an interruption of supply of the following 3M products:

3M™ Polyurethane Protective Tape 8641

The Inspectorate's safety measures and the Council of State's ruling leads us to declare the occurrence of a force majeure event and/or impracticability of performance, which excuses 3M's performance while the effects of this event are continuing. Our operations in Belgium are an important part of our overall manufacturing processes, so any disruption could have a broader impact. We are currently analyzing availability of products and possible allocations, and will keep you updated. In the interest of proactively sharing this information with you, we are alerting you to the likelihood of upcoming supply disruptions.

We are disappointed by this unexpected turn of events. We have been operating our Zwijndrecht manufacturing facility in compliance with our 2020 permit and the legal and regulatory requirements applicable to our operations at the facility, and we have been and remain committed to regulatory and environmental compliance. We have provided extensive factual and expert evidence to the Flemish Environmental Inspectorate and other authorities demonstrating that our operations at the Zwijndrecht facility do not threaten public health or safety. While we will work collaboratively with the relevant authorities, we dispute the purported factual and legal bases for issuing this new safety measure, and we are taking all reasonable measures to challenge the order that caused this event, including continuing to challenge the legal and factual basis for the safety measures through appropriate judicial channels. We have begun contingency planning with respect to future production and are evaluating all available options to minimize potential customer impact.

We value our relationship with you and appreciate your patience as we work through these challenges. We will update you as we learn more.



If you have any questions regarding this notice, please contact your sales representative or customer service representative.

Sincerely,

Mr. Stephen M. Shafer

President
3M Automotive and Aerospace Solutions Division