



Sterigenics Vernon – Updated Statement and Frequently Asked Questions (FAQs) 04.22.24

The below statement and FAQs are intended to provide an update on Sterigenics' ethylene oxide ("EtO") sterilization facility in Vernon, CA and for guiding conversations about tort lawsuits related to the Vernon facility ("Vernon EtO Litigation").

Statement by Sterigenics on the Vernon EtO Litigation

"Sterigenics empathizes with anyone battling cancer. Sterigenics also is confident that it is not responsible for causing the illnesses alleged in the recently filed tort lawsuits. We operate safely to sterilize vital medical products and devices and have consistently complied with and outperformed applicable regulations regarding our emissions. As South Coast Air Quality Management District (SCAQMD) has previously indicated, EtO levels in the surrounding residential communities are within background levels. We believe the science and related evidence will establish that EtO emissions from the Vernon facility have not caused and could not have caused the harms alleged in the Vernon EtO Litigation. Sterigenics' Vernon facility plays a critical role in safeguarding public health by providing FDA-mandated sterilization for essential medical devices and supplies that are supplied to nearly 100 healthcare manufacturers, including dozens in the Los Angeles-area, as well as local hospitals. We will vigorously defend our essential and safe operations against these claims."

We will continue to provide updates about material developments in these and other EtO updates during earnings calls, on our [Investor Relations website](#) and in [our SEC filings](#). Beyond these updates, the Company will not comment on active litigation.

Background Information and FAQs

Sterigenics operates a medical products sterilization facility in the City of Vernon, CA using EtO.

- The City of Vernon, California, occupies 5.2 square miles within Los Angeles County.
- There are more than 1,800 businesses located in the City of Vernon, which account for 55,000 jobs within the city's 5.2-mile boundary.
- The City of Vernon is an economic center with close proximity to Downtown LA, the Ports of Los Angeles and Long Beach and the Alameda transportation corridor. It is situated within 4 miles of cargo and commuter railways, within 3 miles of four major interstates and within 20 miles of three airports, including Los Angeles International airport.



1. What is the nature of the Vernon EtO Litigation?

- Plaintiffs in the Vernon EtO Litigation allege that exposure to EtO from Sterigenics' Vernon facility at residences and places of employment in close proximity to the facility caused cancer and other illnesses.
- Sterigenics denies the claims made in the Vernon EtO Litigation and will vigorously defend its essential and safe operations against these claims.

2. How does the Vernon EtO Litigation compare to EtO tort lawsuits related to Sterigenics' facilities in Illinois, Georgia and New Mexico?

- The Vernon EtO litigation is unrelated to actions in Illinois, Georgia and New Mexico.
- Apart from basic scientific principles applicable to EtO wherever EtO is utilized as a sterilization agent, each tort lawsuit relating to Sterigenics' EtO facilities is dependent on the unique allegations and circumstances of each case and jurisdiction.
- We believe it is inappropriate to extrapolate Sterigenics' EtO settlements in Illinois and Georgia to the cases that are now pending against Sterigenics in Georgia, New Mexico and California or additional cases that may be asserted in the future. The Illinois and Georgia settlements were driven by dynamics unique to the cases that were settled and should not give rise to presumptions that the Company will settle additional EtO tort lawsuits and/or that any such settlements will be for comparable amounts.
- Potential trial and settlement outcomes can vary widely based a host of factors. EtO tort lawsuits will be presided over by different judges, tried by different counsel presenting different evidence and decided by different juries. The substantive and procedural laws of jurisdictions vary and can meaningfully impact the litigation process and outcome of a case. Each plaintiff's claim involves unique facts and evidence, including the circumstances of the plaintiff's alleged exposure, the type and severity of the plaintiff's disease, the plaintiff's medical history and course of treatment, the location of and other factors related to the plaintiff's real property, and other circumstances. Thus, a judgment rendered or settlement reached in one case is not necessarily representative of potential outcomes of other seemingly comparable cases.

3. How many EtO tort lawsuits do you expect to be filed in California?

- As previously disclosed in our securities law filings and elsewhere, additional EtO tort lawsuits may be filed relating to Sterigenics' former and present EtO facilities in the United States.
- We received no advance communication from plaintiffs' counsel before the *Palma* case was filed on March 18, 2024 or the *Shokett* case was filed on April 5, 2024. We do not expect to have insights on any plans by these or other plaintiffs' lawyers to file additional EtO tort lawsuits in California or other jurisdictions.
- Based on our view of the strength of the science and related evidence that emissions of EtO from Sterigenics' operations have not caused and could not have caused the harms alleged in



these lawsuits, we believe these cases are without merit and we intend to vigorously defend the safe and essential operations of the Vernon facility on the merits.

4. What is the statute of limitations in California for EtO tort claims?

- California Code, Code of Civil Procedure § 340.8 provides as follows:
 - (a) In any civil action for injury or illness based upon exposure to a hazardous material or toxic substance, the time for commencement of the action shall be no later than either two years from the date of injury, or two years after the plaintiff becomes aware of, or reasonably should have become aware of, (1) an injury, (2) the physical cause of the injury, and (3) sufficient facts to put a reasonable person on inquiry notice that the injury was caused or contributed to by the wrongful act of another, whichever occurs later.
 - (b) In an action for the wrongful death of any plaintiff's decedent, based upon exposure to a hazardous material or toxic substance, the time for commencement of an action shall be no later than either (1) two years from the date of the death of the plaintiff's decedent, or (2) two years from the first date on which the plaintiff is aware of, or reasonably should have become aware of, the physical cause of the death and sufficient facts to put a reasonable person on inquiry notice that the death was caused or contributed to by the wrongful act of another, whichever occurs later.
 - (c) For purposes of this section:
 - (1) A “civil action for injury or illness based upon exposure to a hazardous material or toxic substance” does not include an action subject to Section 340.2 or 340.5.
 - (2) Media reports regarding the hazardous material or toxic substance contamination do not, in and of themselves, constitute sufficient facts to put a reasonable person on inquiry notice that the injury or death was caused or contributed to by the wrongful act of another.
 - (d) Nothing in this section shall be construed to limit, abrogate, or change the law in effect on the effective date of this section with respect to actions not based upon exposure to a hazardous material or toxic substance.

5. Is Sterigenics' Vernon facility safe?

- Yes. The Vernon facility operates safely and consistently complies with applicable laws and regulations governing emissions.
- Sterigenics has voluntarily installed enhancements at the Vernon facility to further reduce EtO emissions beyond already safe, permitted levels.
- As South Coast Air Quality Management District (SCAQMD) has previously indicated, EtO levels in the surrounding residential communities are within background levels (i.e., at levels that are generally present in the outdoor air and that are not linked to the Vernon facility).



- Sterigenics remains committed to operating safe facilities that protect patients, employees and communities.

6. Is the Vernon facility regulated?

- Yes, the Vernon facility and its operations are subject to stringent regulatory oversight by several federal and state agencies, including the US Environmental Protection Agency, US Food & Drug Administration, Occupational Safety and Health Administration, US Department of Transportation, US Department of Homeland Security, South Coast Air Quality Management District (SCAQMD), the City of Vernon Health Department and the Los Angeles County Fire Department.
- Sterigenics' Vernon facility is subject to routine audits over 30 times per year by these agencies and its customers.
- The facility operates under Air Quality Permits issued by SCAQMD pursuant to state environmental regulations and standards.
- The facility has consistently complied with the requirements of its SCAQMD Air Quality Permits and other applicable federal, state and local requirements.
- According to SCAQMD, EtO monitoring data from the Vernon facility shows EtO levels in the surrounding communities to be within background levels (i.e., at levels that are generally present in the outdoor air and that are not linked to the Vernon facility).

7. What is the South Coast Air Quality Management District (SCAQMD)?

- SCAQMD is the regulatory agency responsible for improving air quality for all of Orange County, California and the urban portions of Los Angeles, Riverside and San Bernardino counties.
- SCAQMD is responsible for developing plans and regulations designed to achieve health-based air quality standards and controlling emissions primarily for stationary sources of air pollution.
- In March and April 2022, following the U.S. EPA's review of national EtO emissions, SCAQMD conducted an evaluation of the Sterigenics facility.
- Sterigenics has a long history of cooperation with SCAQMD and works with SCAQMD to address any concerns it has about the Vernon facility.

8. Is there any publicly available information on emissions from the Vernon facility?

- Yes. The US EPA's Toxic Release Inventory (TRI) Program provides communities, governments, companies, researchers and all other stakeholders with information about the management of chemicals reported by certain industrial facilities.
- EPA makes the emissions estimates submitted to TRI publicly available. According to EPA, the emissions estimates submitted to TRI are "widely used – not only by EPA, but by public health and policy researchers, educators, local emergency planners, state technical assistance providers, community groups, prospective home buyers, and others."
- Sterigenics voluntarily submitted emissions data to the EPA as part of the Toxic Release Inventory (TRI) for numerous years up until 2019.



- In 2023, the EPA began mandatory reporting of TRI data by all EtO sterilizers, with which Sterigenics fully complies.
- We consistently comply with federal and state regulations and our permits.

9. Why was the Vernon facility not included on the EPA list of high-risk sterilizers announced in August 2022?

- The EPA's list of high-risk sterilizers was based on a conservatively modeled risk assessment of exposure to EtO concentrations expected to be found near commercial sterilizers over the course of a lifetime (assuming maximum exposure for 24 hours a day for 70 years).
- The EPA identified as "high-risk" those sterilizers that the modeling showed contribute to a risk of 100 additional cancer cases per 1 million people.
- The Vernon facility did not exceed the EPA risk threshold based on that modeling exercise and as such was not identified as a high-risk sterilizer.

10. How does Sterigenics' previously announced program of general facility enhancements impact the Vernon facility?

- Sterigenics has voluntarily installed emissions control enhancements at the Vernon facility that have reduced EtO emissions beyond already safe, permitted levels.
- Sterigenics has implemented negative pressure technology at the Vernon facility to capture and treat fugitive emissions.
- Sterigenics remains committed to completing further planned Vernon facility enhancements.

11. How important is Sterigenics' Vernon facility to the supply chain for sterile medical devices?

- The Vernon facility uses EtO to sterilize over 45 million essential medical products and devices annually including a variety of essential medical products such as surgical kits, catheters, cardiac implants, stents and IV sets.
- EtO is the only sterilization method that satisfies FDA-approved sterility validations for many critical medical devices. According to the FDA, approximately 50% of all medical products that require sterilization in the US are sterilized using EtO.
- The Vernon facility is a critical part of the supply chain that ultimately develops, manufactures, and delivers sterile medical products for patient care.
- Sterigenics' Vernon facility serves customers ranging from large global medical device / pharma companies to small niche, start-up companies, as well as nearly 100 healthcare manufacturers, including over 50 California-based customers, including local hospitals and medical centers.