Three Things to Know Today: *Healthcare*

March 6, 2016

ONE:
The rising cost of healthcare

The U.S. government reports that healthcare costs in the U.S. are projected to grow 6 percent per year through 2020. Specialty drugs, for example, used to treat serious illnesses, have doubled in cost since 2010 and are expected to double again by 2020.

In this landscape, we must take prudent steps to ensure costs remain manageable for both our employees and the Company.

This means we believe it is fair for our employees to share the cost for healthcare services they use, similar to other union represented employees in the US.

On average, the per employee cost for BCTGM-represented employees healthcare is $19,400 per year – compared with $12,400 per employee at peer companies. This is expected to rise by 5% each year – faster than inflation and healthcare costs nationally.

If left as is, these rising costs will have serious consequences on the Company's ability to compete and provide good jobs.

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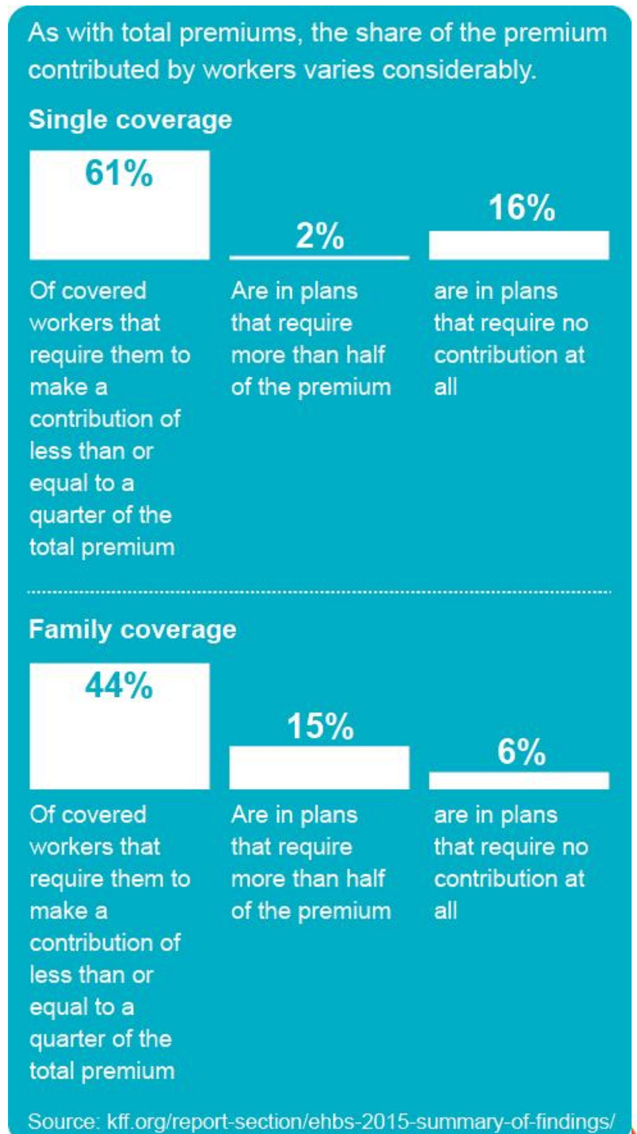
TWO:
Truly comprehensive healthcare

Your current health coverage is extremely generous with the Company paying about 95% of the costs, which is much more than many of our U.S. peer companies pay to cover their employees in similar roles.

In fact, the cost of your current employee healthcare coverage is significantly higher than the cost of:

- The Company’s salaried employees’ healthcare plans
- Competitors’ represented employee plans
- The Company’s other union employee healthcare plans
- The Company’s non-union hourly employee healthcare plans
- Employer-sponsored healthcare plans nationally



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Did you know?

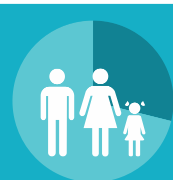
Of Americans in a PPO pay a deductible.

Of Americans in a PPO pay a higher out-of-pocket maximum than the Company's proposal.

Deductible: A specified amount of money that the insured must pay before an insurance company will pay a claim.

Out-of-pocket (OOP) maximum: The most the insured will have to pay for covered medical expenses in a plan year through deductible and coinsurance before your insurance plan begins to pay 100 percent of covered medical expenses.

For more information on how your employee plan compares to other plans in the manufacturing industry, please review pages 12 – 16 in the Company's Health Care Presentation.



18% 29%

Employers generally require that workers make a contribution towards the cost of the premium. Covered workers contribute on average 18% of the premium for single coverage and 29% of the premium for family coverage, the same percentages as 2014 and statistically similar to those reported in 2010

http://kff.org/report-section/ehbs-2015-summary-of-findings/

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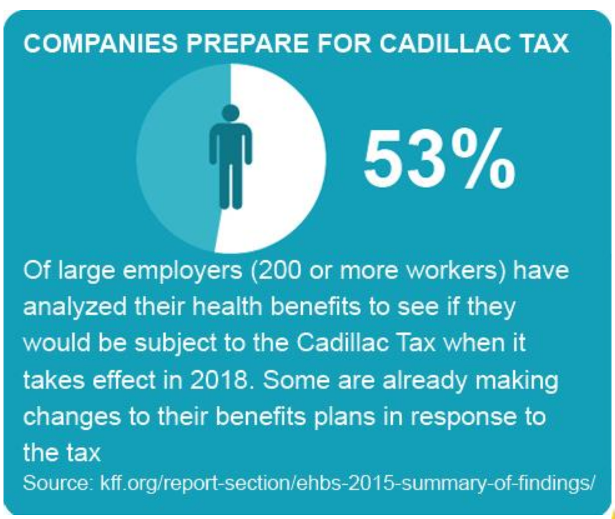
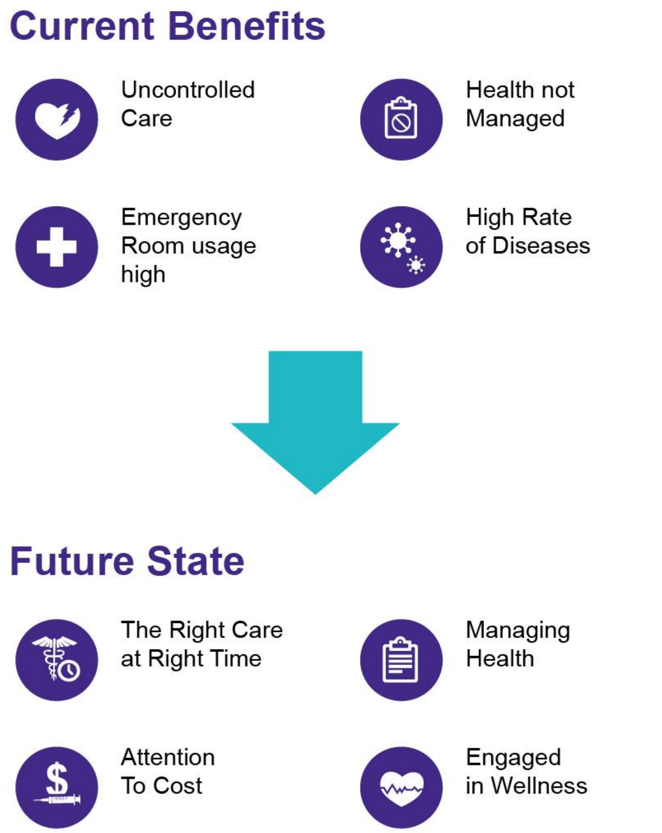
THREE:
More expensive healthcare doesn't = better healthcare

Our healthcare benefits must strike a balance between quality of care and cost.

In order to mitigate the impact of the forthcoming "Cadillac Tax" on healthcare, together we need to take control of employee health costs while making sure that our employees have access to a wide network of providers and tools to help manage and improve their health and wellness.

For example, to help manage costs, we are asking employees to pay for medical services up to the deductible ($200 for an individual), and then the Company pays 90% of the medical services after that. Employee costs are capped at the "annual Out of pocket Maximum". This means in a year an individual will not spend more than $1600 for all medical and Rx services combined.





For more information on how the current employee healthcare plan compares with the proposed plan, please review pages 15 – 16 in the Company's Health Care Presentation.