

While we are not permitted to directly solicit questions from employees about negotiations or our proposals to the BCTGM, the following is information that we anticipate our employees will want to know about our retirement proposal. We also have incorporated information that has been exchanged during discussions with the union in Charlotte.

Status of Current Retirement Plan (B&C Pension Fund)

- ❖ In April 2015, the B&C Pension Fund reported that it was in “critical and declining status” and was projected to be insolvent in 17 years (by 2032). In May 2016, just one year later, the Fund’s Notice of Critical and Declining Status indicated that the Fund is projected to run out of money to pay benefits by 2030, just **13 years from now**.*
- ❖ More than half of what Mondelēz Global LLC pays into the B&C Pension Fund does not get paid out in benefits.
- ❖ The number of active employees covered under the B&C Pension Fund has declined in recent years. As a result, the amount of money going into the Fund is also declining.
- ❖ If the Company were to exit the B&C Plan, the Union claims that certain benefits negotiated after January 1, 2007 would be cancelled by the Fund.

Overview of the Company’s Proposed Retirement Plan (Enhanced TIP)

Enhanced TIP is simply additional contributions the Company will make to your current Mondelēz Global LLC TIP retirement savings plan.

No employee contribution is required (100% funded by company). You have the option to make additional contributions that will be proportionally matched by the Company. And you have control over your account, and how contributions are invested.

The account is portable – it’s yours to keep if you leave the Company. The proposed Enhanced TIP plan allows you to take out loans or make hardship withdrawals from your account balance.

It is designed to give employees a comparable level of retirement benefit to the current Fund (assuming that the current B&C Fund does not cut benefits further, as they may have to ask the government to allow). The Company’s proposed plan was built with the same financial assumptions as the B&C Fund uses.

You will have two sources of retirement benefits at retirement:

1. The vested B&C Pension Fund benefit for service you have already earned.
2. Your Enhanced TIP plan account – including the new Company contributions.



In addition, as we transition from the B&C Fund to the Enhanced TIP plan, you would be protected from changes that the B&C Fund claims it will be entitled to make. For example, the Company Enhanced TIP plan provides for transitional benefits for:

- ✓ Employees at or near Golden 80 eligibility,
- ✓ Employees not yet vested in the current plan and
- ✓ Benefit level roll-backs that the B&C Fund would impose.

B&C Pension Fund <i>What you have today</i>	Proposed New Company Contributions to the TIP Savings Plan <i>What you could have in the future</i>
<p>The B&C Pension Fund is a Defined Benefit (DB) plan.</p> <p>With this plan:</p> <ul style="list-style-type: none"> • The benefit – which is a fixed dollar amount – is defined by the plan you’re in. • Benefits are provided in monthly payments, called annuities, only after you retire. • Benefits may be reduced if payments begin before normal retirement age. • Benefits already earned could be reduced in poorly-funded or insolvent multiemployer plans – like the B&C Pension Fund. • Benefits have a limited guarantee from the Pension Benefit Guarantee Corporation (PBGC) if the plan fails. • If you are not married when you die, your beneficiary receives no benefit. 	<p>The proposal is an enhancement of the TIP plan—a Defined Contribution (DC) savings plan.</p> <p>With this plan:</p> <ul style="list-style-type: none"> • The contribution amount is defined by the plan • Contributions are paid into your TIP plan account each payroll period. • Benefits are typically paid as lump sums, but payment can be taken in installments if you choose. • The amount of your retirement benefit will be affected by investment performance. • You control how your money is invested and how you receive your benefit in retirement. • You own your account, and can take the account balance with you if you leave the company. • On your death, your beneficiary receives your entire account balance.

Click below to view sample retirement comparisons:

[Age 55 with 25 years of service](#)

[Age 45 with 25 years of service](#)

[Age 35 with 5 years of service](#)

