



# BCTGM CONTRACT NEGOTIATIONS

## FREQUENTLY ASKED QUESTIONS (AUGUST 2021)

THE QUESTION	THE FACTS
<p><i>Is the Company able to produce and distribute products during the strikes?</i></p>	<ul style="list-style-type: none"> <li>• Yes, the Company has activated its robust business continuity plan at sites where employees are on strike and is committed to continuing to supply our delicious snacks to retailers and consumers. In addition, across the U.S., our other manufacturing and sales distribution facilities remain fully operational.</li> </ul>
<p><i>Is the Company demanding significant concessions for the next contract?</i></p>	<ul style="list-style-type: none"> <li>• No, we do not believe that the changes proposed are significant changes.</li> <li>• The Company’s goal is to update some of the practices in the contract in order to better position our sites for investment and growth. We believe that the changes proposed are important to make this happen.</li> <li>• Mondelēz is committed to good-faith bargaining with the BCTGM to reach new contracts that continue to provide employees with good wages, above market benefits, secure retirements, safe working environments and numerous other economic benefits. At this time, the ball is in the BCTGM’s court to provide dates to return to the table to continue bargaining.</li> </ul>
<p><i>Does the Company want to take away or cut employees’ healthcare benefits?</i></p>	<ul style="list-style-type: none"> <li>• Our proposal includes <u>no changes</u> for current employees. This means current employees will continue to make ZERO employee contributions and that the current plan design will not change.</li> <li>• We are seeking to address healthcare costs going forward with <u>modest</u> cost sharing for future new hires. The proposed plans and co-pays for future employees are exactly the same as what current BCTGM-represented employees have at our Naperville plant today, which is still <u>well above market</u>.</li> </ul>
<p><i>Is the Company proposing temporary workers to replace employees?</i></p>	<ul style="list-style-type: none"> <li>• The Company had initially proposed some utilization of temporary employees to help manage seasonal demands (vacations, volume increases) but has since withdrawn the proposal.</li> </ul>
<p><i>Is the Company trying to eliminate premium pay on weekends?</i></p>	<ul style="list-style-type: none"> <li>• No. For traditional M-F (5x8) schedules, we are proposing to move to 1.5x premium pay on the 6th day worked, and 2x pay on the 7th day worked.</li> <li>• This is exactly as it is today. However, we are clarifying that employees must work at least 4 hours each day during the week on their regular scheduled days or take paid time off. If so, they will continue to receive the same premiums on their 6th and 7th days.</li> <li>• What we are working to address is employees calling out during the week and still receiving premium pay on Saturday &amp; Sunday.</li> </ul>



# BCTGM CONTRACT NEGOTIATIONS

## FREQUENTLY ASKED QUESTIONS (AUGUST 2021)

THE QUESTION	THE FACTS
<p><i>Is the Company trying to eliminate premium pay after 8 hours in one day?</i></p>	<ul style="list-style-type: none"> <li>• <b>No.</b> For traditional M-F (5x8) schedules, the Company’s proposal still pays a 1.5x premium on hours worked above 8 hours in one day. This would not change.</li> </ul>
<p><i>What is AWS? (Alternative Work Schedules)</i></p>	<ul style="list-style-type: none"> <li>• Our traditional M-F (5x8) schedule does not work for our high demand lines. This leads to unpredictable needs for overtime and weekend runs.</li> <li>• To allow for greater predictability in schedules, better work / life balance, and to meet the needs of our customers / consumers, we want to run a small number of lines on a 12-hour schedule.</li> <li>• We envision a future where we have both traditional M-F (5x8) schedules and 12-hour AWS schedules in the same bakery, with AWS limited to a small number of high demand lines in bakeries (not in DSD branches).</li> <li>• Employees on this schedule would work 12-hours each day and be scheduled 3-4 days each week.</li> <li>• The majority of employees would remain on M-F (5x8) traditional schedules.</li> <li>• AWS only makes business sense where we need to produce high volumes of product.</li> <li>• The intent of AWS is to enable incremental volume for growth while providing employees with more predictable time off for work life balance.</li> <li>• To accomplish this, we would need to hire a 4th crew on these lines so that we can support 24/7 coverage.</li> <li>• Employees assigned to these lines would have a 3-day weekend off every other week.</li> </ul>
<p><i>How would OT premiums work on AWS lines?</i></p>	<ul style="list-style-type: none"> <li>• Our proposal pays 1.5x after 40 hours in one week and 2x after 52 hours in one week.</li> <li>• Employees would be eligible to work OT on their off days if they want to earn more income.</li> <li>• Mandatory OT for AWS would be limited to 13-hours in one day and 60-hours in one week.</li> <li>• Employees could volunteer to work OT above these limits, if desired.</li> <li>• AWS for continuous operations is common in today’s world.</li> </ul>
<p><i>How will AWS schedules be filled? Does it take away employees’ seniority?</i></p>	<ul style="list-style-type: none"> <li>• We would first look for volunteers interested in these schedules.</li> <li>• We would honor seniority and fill any remaining openings by least senior.</li> <li>• This process would take some time to setup, train, and implement.</li> <li>• AWS would not take away seniority. Rather, employees would have a choice of work schedule, assigned by seniority.</li> </ul>



# BCTGM CONTRACT NEGOTIATIONS

## FREQUENTLY ASKED QUESTIONS (AUGUST 2021)

THE QUESTION	THE FACTS
<p><i>What is AWS for DSD branches?</i></p>	<ul style="list-style-type: none"> <li>• The Company proposed no more than five (5) employees in each branch to work Tuesday-Saturday work schedules.</li> <li>• The intent is to support customer needs beyond the traditional workweek in retail.</li> </ul>
<p><i>What does the future look like?</i></p>	<ul style="list-style-type: none"> <li>• The Company is growing, and we have discussed the need for increased capacity and opportunity for capital investment in our US bakeries.</li> <li>• If we can secure new contracts with the needed changes proposed, we have significant investment opportunities coming in the next 4-5 years.</li> <li>• There are two separate projects under consideration potentially for the Chicago Bakery (repatriate new Ritz sandwich cracker line and a Nutter Butter upgrade).</li> <li>• There are opportunities in Richmond to grow our core brands.</li> <li>• There is a need to expand Chips Ahoy! volume capacity and Portland is a potential candidate.</li> <li>• If we are unable to achieve the needed changes in these contracts will need to consider other options for investment in the U.S.</li> </ul>
<p><i>Does the Company really want a new contract?</i></p>	<ul style="list-style-type: none"> <li>• Yes. We proposed a 4-year term of agreement with the Union committee, and we are committed to continuing to bargain in good faith for new contracts.</li> </ul>
<p><i>Why didn't the Company provide an offer for us to vote?</i></p>	<ul style="list-style-type: none"> <li>• Our goal in negotiations has been to bargain to agreement with the Union committee on a package deal that they will support and fully recommend for ratification. The Union rejected our offer in July and our intent is to continue bargaining in good faith with a goal of reaching agreement on new contracts that will be voted on and ratified.</li> </ul>
<p><i>What is the next step to bring this process to resolution?</i></p>	<ul style="list-style-type: none"> <li>• The ball is in the Union's court to provide dates for continued negotiations.</li> <li>• We remain committed to continue bargaining in good faith with a goal of reaching agreement on new contracts that will be voted on and ratified.</li> </ul>
<p><i>Is this about finding an excuse to send jobs to Mexico?</i></p>	<ul style="list-style-type: none"> <li>• This is not about Mexico and we are focused on bargaining in good faith to achieve new contracts for our employees here in the U.S.</li> </ul>