

2021 BCTGM RTEC

Union Proposals

UNION PROPOSAL #1

9/8/21

Section 1.03 (d)

- (2) Regular employees who are displaced as a result of the discontinuance of their permanent job caused by management action in initiating any of the following changes shall be eligible for severance pay:
 - (a) A technological improvement in facilities or equipment.
 - (b) A change in methods, processes, equipment, materials, supplies and similar matters.
 - (c) Permanent closing of a plant, department or part of a department.
- (3) The employee (i.e., Employee A) displaced as a result of the elimination of their permanent job shall have the option of terminating employment and receiving severance pay in accordance with the schedule set forth in Section 1.03(d)(5) or continuing employment and being placed in accordance with the applicable Supplemental Agreement. If Employee A elects to continue employment and displaces another regular employee (i.e. Employee B), then Employee B shall have the option of terminating employment and receiving severance pay in accordance with the schedule set forth in Section 1.03(d)(5) or continuing employment and being placed in accordance with the applicable Supplemental Agreement.
- (4) Notwithstanding the other provisions of this Agreement, any regular employee on layoff for six (6) or more consecutive months shall have the option of terminating employment and accepting severance pay or retaining recall rights. Any regular employee on layoff for eighteen (18) consecutive months may be terminated by the Company and will receive severance pay.
- (5)
 - (a) For all job discontinuances listed in (2) above, with the exception of a permanent closing of a plant, severance pay shall be paid to eligible regular employees in one lump sum in accordance with the following schedule.

PAYMENT SCHEDULE

0 up to 3 years continuous service

\$ 7,000

3 up to 7 years continuous service	\$ 10,000
7 up to 13 years continuous service	\$ 15,000
13 up to 20 years continuous service	\$ 20,000
20 or more years continuous service	\$ 28,000

- (b) **In the event of a permanent closing of a plant, severance pay shall be paid to eligible regular employees in one lump sum equivalent to Five (5) years pay (based on the employees last full W-2), Five (5) years of Health Care and five (5) years of service provided at no cost to employees.**

- (c) **Union Officials: In the event of a permanent closing of a plant, severance pay shall be paid to eligible regular employees who have been a Union Official over the last Five (5) years in one lump sum equivalent to Five (5) years pay (based on the employees last full W-2 from the Company combined with loss time paid to employee from the Union), Five (5) years of Health Care and five (5) years of service provided at no cost to employees.**

PAYMENT SCHEDULE

0 up to 3 years continuous service	\$ 4,000
3 up to 7 years continuous service	\$ 9,000
7 up to 13 years continuous service	\$ 16,000
13 up to 20 years continuous service	\$ 24,000
20 or more years continuous service	\$ 36,000

(6) Employees shall not be eligible for severance pay under the Payment Schedule:

- (a) In the event of termination for any reason [except as provided in Section 1.03(d)], in the event of death, or if an employee is offered employment elsewhere with the Company which does not require relocation, or otherwise accepts employment elsewhere with the Company.

~~(b) If job discontinuances are caused by reasons other than management-initiated changes or improvements, such as declining sales of the Company.~~

UNION PROPOSAL #2

Eliminate Article 3 (Regular Full Time Transitional Employees)

Make all employees Full time Regular

UNION PROPOSAL #3

NUMBER AND OBSERVANCE*

Section 5.09

1. Regular Employees will receive ~~fourteen (14)~~ **Sixteen (16)** holidays with pay when eligible as provided in this Agreement. During the term of this Agreement, the holiday schedule will be as follows:

Add the additional two (2) Holidays to the current fourteen (14) Holidays: **Juneteenth & Veterans Day**

Update the yearly calendar charts to reflect the Holiday Dates

UNION PROPOSAL #4

FUNERAL LEAVE

Section 5.13

- (a) An employee who, because of the death of their spouse, child or stepchild, **mother or stepmother, father or stepfather, grandchild or dependent for whom the employee is legal guardian as defined in the Summary Plan Description (SPD) language.** is absent from work on a day he/she was scheduled to work will be paid up to five (5) days' pay (each day at normal daily straight-time hours) for working time lost as a result of the death.
- (b) An employee who, because of the death of a member of their immediate family, is absent from work on a day he/she was scheduled to work will be paid up to three (3) days' pay (each day at normal daily straight-time hours) for working time lost. The day following the funeral, wake, memorial service, and / or grieving period may be included as one (1) of the up to three (3) days provided for in this section. For purpose of this paragraph, a

member of an employee's immediate family is one of the following: ~~mother or stepmother, father or stepfather,~~ mother-in-law, father-in-law, brother, stepbrother, or half brother, sister, stepsister, or half- sister; ~~grandchild or dependent for whom the employee is legal guardian as defined in the Summary Plan Description (SPD) language.~~

- (c) An employee will be permitted one (1) day off with pay (at normal daily straight-time hours), if he/she was scheduled to work on that day, to attend the funeral, wake or memorial service and / or grieving period of their foster father, foster mother, stepfather-in-law, stepmother-in-law, brother-in-law, sister-in-law, grandparents, grandparents-in-law, son-in-law, daughter-in-law, **Aunt and Uncle**. This provision does not apply in the case of the death of a stepbrother-in-law or stepsister-in-law.
- (d) An employee excused to serve as a pallbearer for a deceased employee or retiree, will be paid their normal straight-time hourly rate for the full day serving as pallbearer. ~~working time lost during their scheduled shift. Time lost will apply only to the time required to perform the service on their regularly scheduled shift.~~

UNION PROPOSAL #5

NIGHT RATE PREMIUMS

Section 7.02

2nd shift Premium 50-cents

3rd shift Premium 50-cents

UNION PROPOSAL #6

EMPLOYEE LIFE INSURANCE, ACCIDENTAL DEATH AND DISMEMBERMENT*

All eligible employees will be provided with ~~\$30,000~~ **\$40,000** of Company-paid life insurance for the first two (2) years of employment and ~~\$70,000~~ **\$80,000** thereafter. A plan of accidental death and dismemberment benefits will be provided related to accidents, except those accidents which arise out of and in the course of employment. Accidental death benefits will be in a like amount and dismemberment benefits will be paid in amounts corresponding to the nature of the dismemberment.

*Permanent and Total Disability (PTD) level of ~~\$40,000~~ **\$50,000** (\$7,500 of which is reserved for a death benefit) remains unchanged.

UNION PROPOSAL #7

Section 8.01 Summary Group Insurance pursuant to Master Agreement

- (9) *A plan of insurance benefits is provided by the Company for retirees and their eligible dependents. The health benefits for any employee who has left the employment of the Company on or before September 29, 1990 and who is a participant in the Kellogg health plan for retirees shall be the health plan in effect on September 29, 1990. The health benefits for any employee who leaves the Company on or after September 30, 1990 and who becomes a participant in the Kellogg health plan for retirees shall be the health plan in effect at the time of the employee's retirement. Retired employees are responsible for payment under "Part B" Medicare, as provided by the law.

All employees retiring on or after September 29, 2002, will be covered under a Preferred Provider Organization upon introduction of such plan at their respective Plant location. The retiree will retain the benefit design of the PPO in effect at the time of their retirement.

Notwithstanding the above, any employee hired, rehired or transferred into a regular employee classification or a Transitional Employee classification on or after October 4, 2015, is ~~not~~ eligible for retiree health care from the Company. Any employee employed by Kellogg as of July 31, 2015, regardless of his or her classification, shall be considered to be employed for the purposes of meeting the criteria for eligibility for retiree health care.

The Company's agreement to provide medical coverage to future retirees will be limited ("capped") as set forth below. **For purposes of this section, a "cap" is an ~~fixed dollar limit on the amount of the Company's annual contribution toward the cost of retiree medical insurance, prior to the retiree making a contribution which will be capped at no more than \$25 per month.~~**

Tier	Under 65 Cap
Retiree Only	\$16,500
Retiree + Child(ren)	\$16,500
Retiree + Spouse	\$33,000
Retiree + Family	\$33,000

Tier	Over 65 Cap
Retiree Only	\$13,200
Retiree + Child(ren)	\$13,200
Retiree + Spouse	\$23,100
Retiree + Family	\$23,100

Tier	Over / Under 65
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Retiree + Spouse	\$23,100
Retiree + Family	\$23,100

- (10) A plan of insurance benefits is provided by the Company for spouses and eligible dependents of deceased employees who have attained ~~twenty (20) years~~ **fifteen (15) years** of service with the Company or where the deceased employee would otherwise have been eligible for retirement, as defined by the Company, or where the employees have attained five (5) years of service with the Company and become deceased as the result of an accident arising out of and in the course of employment by the Company.

UNION PROPOSAL #8

DENTAL INSURANCE*

This Section applies only to regular employees who are not Transitional Employees

*A plan of dental insurance for employees and dependents provides for maximum reimbursement per calendar year of **\$1900 which includes:**

One hundred percent (100%) reimbursement for defined preventive services.

- i. Seventy-five percent (**75%**) reimbursement for remaining maintenance and restorative service charges.
- ii. Fifty- percent (**50%**) reimbursement for prosthetic services.

Charges **for services** are based on usual, reasonable and customary dental charges.

There is a maximum lifetime benefit of ~~\$2,500~~ **\$3,000** for orthodontia services. This benefit is provided for dependent children of employees as previously defined under paragraph 9. Reimbursement of usual, reasonable and customary charges is payable at fifty percent (50%).

UNION PROPOSAL #9

ARTICLE 10

CONTRACT TERM AND ASSURANCE

STRIKES AND LOCKOUTS

Section 10.01

- (a) During the life of this Master Agreement, no strike or work stoppage in connection with disputes arising hereunder shall be caused or sanctioned by the International Union, any of the Local Unions or by any member thereof; and no lockout shall be ordered by the Company in connection with such disputes.
 - i. It is agreed that any authorized legal strike that may be called by a Local

Union or any lockout by the Company on or after the expiration of the Supplemental Agreement at that plant in an effort to secure changes in or to secure a new Supplemental Agreement shall not be deemed a breach of the provisions of this Agreement prohibiting strikes or work stoppages and lockouts during the life of this Agreement.

- ii. It is agreed that any authorized legal strike that may be called or any lockout by the Company on or after the expiration of the Master Agreement in an effort to secure changes in or a new Master Agreement shall not be deemed a breach of the provisions of any Supplemental Agreement.
- iii. **The Company shall not require the Union or its Members to cross any picket line established by any recognized BCTGM Local Union in order to perform their duties.**

~~The Company shall not require its employees to work to fill the orders or otherwise conduct the business of any branch of the Company whose employees are on strike.~~

UNION PROPOSAL #10

PENSION PLAN*

- 1. A Company-paid pension plan, the Kellogg Company Bakery, Confectionery, Tobacco Workers and Grain Millers Pension Plan, provides the following single-life benefits to persons retiring at age sixty-two (62) or thereafter.

* For All Past and Future Service

\$89.00/month/year of credited service effective 10/5/2021

\$91.00/month/year of credited service effective 10/5/2022

\$93.00/month/year of credited service effective 10/5/2023

\$95.00/month/year of credited service effective 10/5/2024

\$97.00/month/year of credited service effective 10/5/2025

UNION PROPOSAL #11

WAGE APPENDIX*

The cost-of-living float of **\$ 1.80** per hour is folded into the current base rates. The amount of cost-of-living allowance which shall be in effect for each quarterly period will be based on an increase or decrease of \$.01 per hour for each 0.30 point increase or decrease in the Index beginning with the review of the November 2020 Index.

A One-Time 3% wage adjustment in 2021 effective upon Ratification.

UNION PROPOSAL#12

MEMORANDUM OF AGREEMENT ORGANIZING ACTIVITY

It is Kellogg Company's (Kellogg) intentions not to interfere with the employees' rights under the National Labor Relations Act to engage in protected concerted activity and to join a Union of their choice.

The BCTGM International Union and its Locals along with the Kellogg Company mutually recognize that, national labor law guarantees workers the right to form or select any labor organization to act as their exclusive representative for the purpose of collective bargaining with their employer.

The Kellogg Company agrees to grant the BCTGM access to unorganized facilities for the purpose of organizing. Provided, a Mutual agreed upon Neutral Third Party, confirms the Union has greater than 50 percent plus 1 employee, with signed authorizations to be represented by the BCTGM.

The Parties agree that the Kellogg Company, when holding informational meetings with employees, they will include the BCTGM ~~Organizers~~ International Officer to jointly participate. This will allow the employees to hear from the Company and the Union at the same time. This will further allow the employees to ask questions and receive timely answers while making a sound judgement on their decision to form a Union.

Kellogg Company and Bakery, Confectionery, Tobacco Workers and Grain Millers Union (BCTGM) agree to comply with the following guidelines at Kellogg's manufacturing locations.

1. **NOTIFICATION** — If Kellogg learns that another union is engaged in hand billing or other on-site organizing activity at any Kellogg manufacturing facility, Kellogg will inform the BCTGM.
2. **RESPONSES** — If Kellogg receives any inquiries from other companies which the BCTGM is attempting to organize, then Kellogg will discuss its positive relationship with the BCTGM with other companies.

3. **SOLICITATION/DISTRIBUTION** — The BCTGM will contact the appropriate individual in Kellogg’s Corporate Labor Relations Department prior to engaging in hand billing or other activity at any Kellogg manufacturing location. Kellogg’s Corporate Labor Relations Department, local plant management, and the Union will agree to the proper location that will permit the BCTGM organizers the ability to have a safe location to engage in organizing activity with off-duty employees. The Company and the Union mutually agree that each will treat the other with respect and professional courtesy.

UNION PROPOSAL #13

Intended to replace the Plant Closure Moratorium

REPATRIATION AGREEMENT

The Company, the International Union and the Local Unions wish to foster a more sustainable, harmonious, partnership for operations in the RTEC Plants. ~~Between October 4, 2015 and October 5, 2020,~~ the Company must assess opportunities and make good faith efforts to repatriate outsourced products into the RTEC Plants; ~~provided, however, all decisions to implement any such repatriation or related opportunities shall be made by the Company in its sole discretion.~~ The Parties intend for this agreement to be used as an opportunity to address production and cost issues in an effort to improve the sustainability and viability of the RTEC Plants. ~~However, nothing in this paragraph shall be construed as a restriction or limitation on the Company’s existing rights to outsource or co-manufacture products.~~

Further, in exchange for the commitment of the membership of the International Union and Local Unions to assist the Company by agreeing to changes contained within this Master Agreement, Kellogg commits to No Headcount Reduction at ~~limit its right to close~~ any of the RTEC Plants. ~~through October 5, 2020 (the “Commitment Date”), as follows:~~

- (1) The Company shall not exercise its right to permanently cease operations at any RTEC Plant ~~on or before the Commitment Date~~ except in case of an Act of God. ~~The Company shall be deemed to have satisfied its commitments in accordance with this agreement as long as it operates one production line in each RTEC Plant through the Commitment Date, subject to regular production demands (including e.g. “dark periods” for cleaning, maintenance, capital projects).~~
- (2) At all times, the Company retains the right to determine the manufacturing schedule process, and/or capacity utilization/output in each RTEC Plant, including, but not limited to, the right to move work, curtail or idle lines on a temporary basis provided there will be no permanent reduction in employee Headcount. ~~and/or determine the number of employees needed.~~

~~(3) During the negotiations of the 2015 Master Agreement the parties acknowledged that the Company retains its prerogative to announce closure of any facility at any time as long as it maintains its compliance with the Commitment date established above.~~

~~The foregoing limitations on the Company's right to permanently cease operations at RTEC Plants expire on the Commitment Date established above.~~

The Parties agree that any alleged violation of the provisions of this Section shall be subject to the expedited arbitration procedure as outlined in section 3.08 of this agreement.

UNION PROPOSAL #14

Modify Existing "Union Representatives Training" MOA as follows:

Add Section "C"

Union Representatives Training

(C) The Company will provide Compensation and Expenses for up to three (3) Union Bargaining Committee Members (Kellogg employees only) for Master Contract negotiations and UAC Meetings as follows:

- Pay for each day of negotiations / meetings at the employee's applicable ~~straight time~~ rate of pay in lieu of missed pay for work, not to exceed the number of hours in the employee's regularly scheduled shift for that day.
- Travel and Lodging expenses associated only with negotiations / meetings days.

The Company and the Union will split the cost of the meeting room, and meals offered during negotiations/ meeting sessions, if any, provided the location and cost is mutually agreeable.

UNION PROPOSAL #15

Indemnity Increase

EMPLOYEE NON-OCCUPATIONAL SICKNESS & ACCIDENT

This benefit is payable, when eligible, for the first day in case of accident or hospitalization, outpatient surgery and surgical centers; and the third day for sickness. (If the employee is disabled from sickness for a period of fourteen (14) days or more and otherwise qualifies, benefits will be payable for the first two (2) days of disability.) Benefits will continue for a maximum of twenty-six (26) weeks during any one period of disability. The weekly benefits for

this coverage are based on identified classification groups and job rate levels at each plant. The weekly benefit shall be 80 % of the employee 40-hour straight time rate.

UNION PROPOSAL #16

Wage Increase

2% INCREASE PER YEAR OF THE CONTRACT – ALL CLASSIFICATIONS

(Starting October 5th 2022)

UNION PROPOSAL #17

Pay Adjustment for Skilled Trades

ALL SKILLED TRADES WILL RECEIVE A ONE TIME \$5 PER HOUR PAY ADJUSTMENT.

UNION PROPOAL #18

DRUG AND ALCOHOL POLICY

Incorporate the newly bargained Drug and Alcohol policy into this 2021 Master Agreement as Article 8.07 D

UNION PROPOSAL #19

(MOA Modification)

RELOCATION GUIDELINES

The parties have agreed to provide regular permanent employees with the opportunity to relocate, at the employee's expense, from the plant in which they are presently employed (home plant) to another cereal plant of the Company covered under the terms of the Master Agreement (transfer plant). The relocation procedure shall require an interested employee to sign a list to be maintained

by their home plant personnel office designating the desired transfer plant. Employees will be selected from the list for relocation based on seniority with the Company.

~~For purposes of these guidelines, mechanics will not be given the opportunity to relocate if doing so would result in the home plant having to add a mechanic; and operational employees will not be permitted to relocate if doing so would result in having to add an operational employee.~~

The guidelines are as follows:

- ~~1. As stated above, the home plant of the employee must not be hiring and the transfer plant must be hiring before relocation will be made available. Also, the relocation will not require the home plant to hire a replacement.~~
2. The transfer plant shall contact the other plants for employees desiring to relocate to that plant. These employees shall be notified of the opportunity. Interested employees must advise of their desire to relocate to the transfer plant within two (2) days of being notified by the Company. Employees declining the opportunity for consideration will have their name removed from the list for a one (1) year period.

Any employee denied the opportunity to transfer or failing to accept a transfer shall not be allowed an opportunity for a one (1) year period.

3. If the Company approves the transfer after a review of the employee's employment history, job qualifications and health and, if necessary, one or more personal interviews with the employee, the employee must be available for work at the transfer plant within thirty (30) days of such approval. All expenses of relocating shall be the responsibility of the employee.
4. Any employee not reporting for work at the transfer plant may be denied the opportunity at the Company's discretion, after which the Company shall fill the vacancy in the normal fashion.
5. The Company shall make available to interested employees twenty percent (20%) of new, permanent job openings during any hiring need.
6. Transfer employees will establish a new seniority date for all purposes, except Company service will be used for Company benefits (vacation, pension, etc.).

UNION PROPOSAL #20

Section 8.01 (Summary Group Insurance) : Benefits

Language Modifications:

- Eliminate STOCK PURCHASE AND DIVIDEND REINVESTMENT PLAN language from Summary – Group Insurance
- Replace with language from DISCOUNTED STOCK PURCHASE PLAN MOA, modified as follows and delete MOA:

Discounted Stock purchase Plan

All Kellogg RTEC Bargaining Unit employees are eligible to participate in a voluntary program to purchase Kellogg Company Stock by payroll deduction at a discount pursuant to the terms of the Companies discounted Stock purchase Plan. Kellogg may, from time to time, increase, decrease, or discontinue the discount.

UNION PROPOSAL #21

Provisional Employees Article #4

Delete Article #4 in its entirety; Existing Provisional Employees in Lancaster will be treated in accordance with the terms of deleted Article #4 and otherwise “grandfathered” into their current terms until such employee retires, quits, is terminated or assumes a Full Time Regular Position.

UNION PROPOSAL #22

There will not be any forced Overtime in any plant covered by this Master Agreement....

UNION PROPOSAL #23

Company to pay for Employee Hearing Aids up to 100%

UNION PROPOSAL #24

Employees will be given Bonuses equal to any bonus given to a CEO or Board Member of the Kellogg Company

UNION PROPOSAL #25

401K - Increase Company match to \$1 for \$1 up to 7%

UNION PROPOSAL #26

Company to allow employees up to 2-weeks after ratification to determine which contract to retire under.

UNION PROPOSAL #27

SUMMARY - GROUP INSURANCE **PURSUANT TO MASTER AGREEMENT***

Change to 8.01 B Third Paragraph Only.

The employer agrees to provide and maintain all current plans, health benefits, levels and cost; Maintenance of Benefits (MOB) for all locations covered by this agreement at no additional cost or expense to the participant or their dependents. ~~If any change is made in current administrators, proper notification will be given to the International and Local Union.~~ **No change will be made to current Administrators during the term of this agreement.**

UNION PROPOSAL #28

Upon Ratification, Union and the Company will establish a sub-committee to develop a Supervisor and Stewards Handbook for the Interpretation of the Master Agreement.

UNION PROPOSAL #29

beyond the 90 day maximum to be paid to every employee covered by this agreement until printed. Printing of the Master CBA Contract Books will be completed no more than 90 Days after Ratification. However, there will be a penalty of \$5000 to the Company for every 30-days

UNION PROPOSAL #30

Renew all MOA's and LOU's.

UNION PROPOSAL #31

Attendance Incentive Bonus

The purpose of this program is to incentivize and positively reinforce Monday - Friday attendance

Annual attendance incentive bonus to be paid based on employee's annual straight time gross wages. All paid time off shall count as hours worked. All other unpaid absences, excluding union business, shall not be included in calculation of employee's attendance bonus.

Bonuses to be paid on February 1st of each year in the amount of 8% of an employee's gross annual straight time hours worked, based on the following formula:

2,080 hours = 100%

1,500 to 2,079 hours = 75%

1,040 to 1,499 hours = 50%

Example:

An employee making \$30/hr who works 2,080 straight time hours shall receive a bonus of \$4,992 (2,080 hrs x \$30/hr x 100% x 0.08% = \$4,992)

An employee making \$30/hr who works 1,500 straight time hours shall receive a bonus of \$2700.00 (1,500 hrs x \$30/hr x 75% x 0.08% = \$2700.00)

UNION PROPOSAL #32

College Seasonal Hiring will not be posted publicly unless the vacancies equal more than internal candidates that applied. College Seasonal Hiring will be offered in the following order:

- 1. All Plant Employees**
- 2. Corporate Employees**
- 3. Offered to Public**

UNION PROPOSAL #33

There shall be a full discussion on the current Health Care SPD's.

UNION PROPOSAL #34

The Company will not produce or release any change to SPDs without the full consent of the Union.

UNION PROPOSAL #35

Modify Vacation to add from 0-1 years of service employees shall receive one week of vacation.

UNION PROPOSAL #36

Duration of agreement 5 years

UNION PROPOSAL #37

The Company shall not make mandatory the Covid vaccine.

UNION PROPOSAL #38

The union reserves the right at any time during these negotiations, to modify, delete, add-to, amend, withdraw any and all proposals, until such time as the Union gives up this right.