August 16, 2021

Mondelēz International Statement on Local BCTGM Union Strikes

We are disappointed by the decision of the local BCTGM unions in Portland (OR), Richmond (VA) and Aurora (CO) to go on strike.

Our goal has been — and continues to be — to bargain in good faith with the BCTGM leadership across our U.S. bakeries and sales distribution facilities to reach new contracts that continue to provide our employees with good wages and competitive benefits, including quality, affordable healthcare, and company-sponsored Enhanced Thrift Investment 401(k) Plan, while also taking steps to modernize some contract aspects which were written several decades ago.

The company’s most recent contract proposals, which were shared with [and rejected by] union leadership during our most recent bargaining sessions with the BCTGM three weeks ago, focused on narrowing the issues and setting up our U.S. bakeries for future investment and long-term success.

Our offer to the union committee included:

— No change to healthcare benefits for current employees (e.g., no employee deductibles, no employee premium contributions)
— Annual wage increases
— Ratification bonus
— Increase to the 401(k) match
— Increase to the Company-provided Short-Term Disability benefit
— For Bakeries: Alternative Work Schedules on select high-demand lines, alternating 3-4 days per week, enabling better work/life balance
— For Sales Distribution Facilities: Alternative Work Schedules with up to 5 employees in each Branch working a Tuesday – Saturday work schedule
— Revised Overtime rules, paying premiums to employees on 6th and 7th day who work their scheduled hours during the week
— 4-year term for new contracts

In addition, the offer withdrew a previously introduced proposal that would have allowed the use of temporary employees.

We have a robust business continuity plan in place, ready to be deployed if the need arises. Given these developments related to our Portland (OR) and Richmond (VA) bakeries and our Aurora (CO) sales distribution facility, we have activated that plan and are committed to continuing to supply our delicious snacks to retailers and consumers. In addition, across the U.S., our other biscuit manufacturing locations and sales distribution facilities remain fully operational.

Furthermore, the BCTGM negotiations underway for new collective bargaining agreements are separate and distinct from the Atlanta and Fair Lawn bakery closures, which were announced in February and have now been completed. As we respond to changing consumer needs and snacking growth opportunities, we are focusing our U.S. biscuit operations on strategically located owned-and-operated bakeries on the East Coast, Midwest, and West Coast of the United States. This includes our bakeries in Portland, OR, Richmond, VA and Chicago/Naperville, IL, further supported by U.S.-based external manufacturing. No U.S. jobs went to Mexico related to the Atlanta and Fair Lawn closures.