



APPLIANCE PARK

2024 Contract Negotiations

Questions and Answers

December 9, 2024

General

Q. How long is the contract?

A. This is a 49-month contract that will expire January 31, 2029.

Q. Why are we voting so quickly?

A. The parties have expedited the vote to ensure employees will receive the ratification bonus before the holidays, if ratified.

Q: When will the ratification bonus be paid?

A: If the agreement is ratified by December 12, 2024, it will be paid on December 16, 2024.

Wages & Compensation

Q. How are wages better in this proposed package versus the current contract?

A. This contract contains record wage improvements and historic cost savings for employees. Employees said they wanted the ability to move to higher wage tiers, so a new progression adding \$0.95-\$2.02 for each bump up is included in this proposal on top of general wage increases. Employees will also receive a one-time Ratification Bonus if this contract is ratified. In total, you could earn up to **\$26,000** more over four years with the improvements in this contract proposal.

Q. Who is eligible for the annual General Wage Increases (GWI)?

A. All hourly employees on the payroll are eligible for the increase, per the contract language. This includes union employees on leave of absence.

Q: What does Progression mean and how does it work?

A: Progression is a path to higher wages where employees with years of service automatically move up to higher wages on their 2-year, 5-year and 10-year service anniversaries.

Q: How does the Wage Progression benefit me?

A: Employees now have a path to the top CW1 wage structure as they reach service milestones.

Q. When will I see the general wage increase in my paycheck?

A. The general wage increase will be in the first pay cycle after the effective date.

Q. Who is eligible for the \$1,500 ratification bonus?

A. The ratification bonus is contingent on the contract being ratified on or before December 31, 2024. To be eligible, employees must meet one of the following conditions:

- Employed on the date of ratification and the date of payment.
- On protected work status due to a Temporary Lack of Work or a Company-approved leave of absence.

Q. Is the \$1,500 ratification bonus taxable?

A. Yes.

Q. Will the \$1,500 ratification bonus count toward the My Savings Plan 401(k)?

A. Yes.

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Benefits and Healthcare

Q. How are the benefits better in this package versus the current contract?

A. The parties are introducing a new PPO Health Plan that's a big win with lower costs for employees in 2026. PPO stands for **P**referred **P**rovider **O**rganization. With the new plan, the company is taking on more of the cost of the plan, making it more affordable for employees – all with the same great coverage offered today.

Q. What is a PPO?

A. "PPO" stands for **P**referred **P**rovider **O**rganization. This type of plan features a network of healthcare providers you can choose to see for no-to-low copays. When you visit in-network providers, all preventive visits and services are covered at 100%, which means no cost to you for annual exams, well-child visits, mammograms, colonoscopies or vaccinations. Services provided by CareATC, our onsite primary care clinic in Building 4, will also be free to you and your family on the new PPO plan. The new PPO plan is on the same Anthem network with a large selection of doctors, specialists and hospitals.

Q. How will the new PPO plan save me money?

A. The plan features lower deductibles, lower annual out-of-pocket maximums and lower payroll contributions in 2026. For example, the annual deductible for a single person will be reduced by more than 50% compared to the current HRA plan deductibles. Annual out-of-pocket maximums are reduced by up to \$2,000.

Q. Will I be able to continue to see my doctor / specialist on the new PPO plan?

A. The new PPO plan will be on the same Anthem network with a large selection of doctors, specialists and hospitals. You can visit any doctor or specialist you want, but you save money if you go to doctors, hospitals or providers that are part of the plan's network.

Q. When can I sign up for the new plan?

A. The new PPO Plan will replace the HRA Health Plan beginning in 2026. You will be able to sign up for it next year during annual enrollment for 2026 benefits. Your 2025 healthcare elections are still valid.

Q. Why did the parties change the HRA plan?

A. We heard your feedback about paying less for healthcare in our respective surveys, so the parties agreed to a simplified plan that lowers costs for more people.

Q. What will happen to the HRA funds in my account?

A. Current HRA balances may be spent throughout 2025 and 2026.

Q. Are there any other changes to our health plan that can help me reduce costs?

A. Yes, the new PPO plan offers a low fixed cost (\$65 copay) when you need specialist care before you have met your deductible. Specialists could include doctors like dermatologists, cardiologists or orthopedic doctors, for example, that can be costly without a fixed copay.

Q. What happens to the HSA plan?

A. It will continue to be offered as it is today.

Other

Q. How do I learn more about the Voluntary Separation Incentive (VSI)?

A. To learn more, a special Q&A on the VSI will be available in the HR offices after ratification. Eligible employees must complete a VSI application in Workday by 12:00 noon (EST) on January 31, 2025.

Process

Q. How many "yes" votes are needed to ratify the new contract?

A. A simple majority vote (50% + 1 of members who vote) is needed to ratify the contract.

Q. If ratified, when would the new contract begin?

A. The contract begins January 1, 2025. However, the first benefit you receive would be the ratification bonus paid in December 2024. Your increase will be in your paycheck the first pay cycle after the effective date.

Q. Will there be another benefits enrollment period?

A. No. The next enrollment period will happen in the fall of 2025. *(The HRA healthcare plan will be active through 2025.)*