

Contract Negotiations between Swift Pork Company for its Worthington, Minnesota Pork facility and the United Food and Commercial Workers Union, Local 663.

Company Proposals

January 29, 2025

The parties to these negotiations have mutually agreed to participate in a large group bargaining. This format is voluntary, and no party is obligated to bargain as a group. In the event either party wishes to discontinue this format, they may do so.

In the event that either party no longer wishes to participate in this voluntary process, any and all proposals or agreements made shall be considered null and void for the purposes of these negotiations unless specifically agreed to otherwise by the Company and the Local 663. With respect to bargaining obligations imposed on the parties, if either party departs from group bargaining, the obligation to bargain for a successor agreement will commence two (2) weeks after formal notification is given to the other party.

All terms and conditions of the below collective bargaining agreements remain unchanged until full agreement is reached by the parties. All agreements are subject to ratification by the Union membership. All changes shall become effective on the first Monday following the ratification of each agreement unless specified otherwise.

All agreements are tentative until a full agreement is reached by the parties. The Company reserves the right to add to, delete, or otherwise amend these proposals at any time during the negotiation process. If a specific Article or Section is not addressed the Company is proposing no change in the current language.

C01 – Article 9, Section 5. Meal Periods and Relief Periods:

The Company may require employees to take a relief period during an equipment breakdown or other temporary stoppage of production in lieu of a regular scheduled relief ~~only if the starting time of such substitute relief period is within 30 minutes of the starting time of the regularly scheduled relief period.~~

C02 – Article 14, Section 1. Guarantee. Modify:

Daily Guarantee--

Regular full-time employees, excluding the casual crew employees, called to work will be provided with a minimum of four (4) hours work or pay in lieu of work, barring contingencies outlined in Section 2 below or where the Company notifies employees a minimum of two (2) hours prior to the start of the employee's scheduled starting time. ~~via a toll-free 800 messaging phone number. In addition to the 800 messaging system, the Company will attempt to notify local radio and television stations in an effort to get the schedule change announced to the employees.~~ **The Company will make a good faith effort to notify employees through methods such as, but not limited to, text message, social media, or other media platforms.**

C03 – Article 17, Section 4. Seniority. Modify:

Job vacancies **eligible for bid**, including new jobs (except for the start-up of a new operations) will be posted from Thursday through Tuesday. Anyone interested in vacancy will be required to sign the posting. If an employee signs more than one vacancy during the posting period they must indicate the order of their preferred choice e.g. # 1=first choice, #2 =second choice, etc.) Should an employee fail to indicate the preferred choice the Company will make the determination.

Job vacancies **eligible for bid** will be awarded to the senior eligible bidder first within the division and second within the plant. However, employees with over ten (10) years of service will be eligible to bid with plant seniority. The original bid for each posting will be exhausted prior to the Company assigning the position. If there are no eligible bidders, the Company may assign the position. An employee will be considered the successful bidder at the time the posting is closed and will be awarded the position. Maintenance Division openings shall be awarded first within the Maintenance Division based on seniority and skill level; second within the Apprenticeship Program based on seniority and skill; and third to the senior qualified employee in the plant.

In the startup of a new operation, the Union agrees to meet with the company and discuss ways to mitigate the disruption of the bidding process to both the new, as well as, the overall operation.

The Union may request that positions of a temporary or seasonal nature, which have been performed consistently for a sixty (60) day period, be posted for bid within the division. Such bid will be posted as "Special Temporary Work." When the temporary position is no longer required, they will have all bid restrictions removed and assigned where needed in their division. However, if the temporary special work job has been performed for one (1) year, the position will be offered to the employee performing the temporary special work on a regular basis. If the employee declines the regular position, it will be offered for bid within the division. Employees performing a special temporary work position will be paid the rate of the job they are performing.

For the purpose of this section, an employee shall have a maximum of thirty (30) days from the time employee is placed on the job to qualify for such job. The Company will endeavor to move the employee to the new job no later than ~~forty five (45)~~ **ninety (90) work** days after the employee has successfully won and been awarded the job through the bid procedure; for employees on multiple rotation positions the Company will provide employees with a reasonable amount of time beyond the aforementioned thirty (30) days provided the employee makes an earnest attempt to learn the position.

Employees not placed on such bid job within ~~forty five (45)~~ **ninety (90) work** days shall be paid the rate of the job to which they bid plus thirty-five cents (\$.35) per hour until they are moved to the new bid job. In the event an employee's training is interrupted, such employee will again receive the rate of pay for the job to which the employee bid and the thirty-five (\$.35) per hour penalty during the period of time of such interruption in the training. In addition to the previously referenced penalty, the employee will be eligible to bid another job if they are not moved within ~~forty five (45)~~ **ninety (90) work calendar** days. The ~~forty five (45)~~ **ninety (90) work calendar** day period will start on the award date "Tuesday". Subject employee will not be eligible to receive such pay until and unless employee

qualifies on the new job, at which time such pay shall be retroactive. Employees that disqualify themselves or decline the position will not be eligible for retroactive payment. Employees disqualified by the Company will be eligible for the retroactive payment.

In an effort to keep bid jobs awarded and employee moved in a timely fashion, the company will develop and maintain an "Aging Report". This Aging Report will list the status of all job bids until there is a final disposition. The report will include division, department, employee's name, job title and grade they are bidding to, job and grade they are bidding from, date of the award and their current status. The Aging Report will be maintained by the Human Resources department, updated on a weekly basis and made available to the Union. The report will also be made available for review by inquiring employees.

~~All time limits not otherwise stated as "work days" will be "calendar days" concerning this article only.~~

Employees bidding to a new department or shift will have any previously scheduled vacation reviewed and attempts will be made to ensure that the employee is able to maintain their previously scheduled vacation date.

C04 – Article 17, Section 10. Seniority. Add New Section:

Positions that become available that are two (\$2.00) or less above the base rate will be posted in the same area and for the same duration as other bid jobs and will be posted as an interest posting. Employees who are interested will sign their name on the appropriate job posting and employees with seniority and a history of good work ethic will be given first consideration for the position.

C05 – Article 20, Section 3, Fourth Step. Grievances. Modify:

A grievance shall be submitted for arbitration no later than ~~two (2)~~ **thirty (30) calendar days** months after the Fourth Step meeting on the grievance. A grievance which has not been submitted within the ~~two (2)~~ **thirty (30) calendar days** time limit shall be null and void and not subject to further processing or arbitration.

C06 – Article 24, Section 3, State and Federal Statutes. New Section:

If the Company at any point becomes eligible, chooses to pursue, or expresses interest in a line speed waiver per the federal government, the union will offer their support with any established regulations to assist the Company to operate efficiently and safely. If at any point concerns arise, the Company and union agree to engage in a Joint Labor Meeting to address such concerns.

C07 – Article 31, Section 2. Plant Closing. Delete in its Entirety:

~~All benefits payable under this Article were locked and frozen as of June 23, 1991. Employees hired on or after June 23, 1991 will not be entitled to any benefits under this Article.~~

~~(a) When Paid—Separation allowances shall be paid to employees on the active payroll having one (1) or more years of credited service who are permanently separated from the service because of a plant or division closing.~~

~~Separation pay in such cases shall be payable upon the employee's termination. (Notwithstanding any of the below, no separation allowance will be paid under this Article based upon employment on or after June 23, 1991.)~~

~~The following section applies only to employees hired on or before May 9, 1991. Notwithstanding any of the below, no separation allowance will be paid under this Article based upon employment after May 9, 1991.~~

~~(b) When Not Paid—Separation allowances are not paid:~~

- ~~1. To employees with less than one year's credited service;~~
- ~~2. In cases where the employee was discharged for cause;~~
- ~~3. In cases of voluntary resignation;~~
- ~~4. In cases of employees retired on pension with eligibility for an immediate pension;~~

~~(c) Method of Computing Separation Allowances—The following schedule is to be used in computing the number of week's pay according to the years of credited service. Payments are to be computed on the basis of forty (40) hours per week at the employee's regular rate of pay.~~

~~1 through 10 years of credited service—1 week's pay for each year of credited service.~~

~~11 through 20 years of credited service, add to the computation for ten (10) years—1-3/4 week's pay for each year of credited service above ten (10) years.~~

~~21 years of credited service, and over, add to the computation for twenty (20) years—2 week's pay for each year of credited service above twenty (20) years.~~

~~Example: Weeks of Pay~~

~~22 years of credited service:~~

~~First 10 years' credited service.....10~~

~~Service for 11 years through
20 years (10 x 3/4).....17 1/2~~

~~Service over 20 years
(22-20) or 2 x 2.....4
Total Separation Allowance.....31 1/2~~

~~To this separation allowance computed as per the example, add vacation pay for the current vacation year if the employee has qualified for but not taken such vacation.~~

~~(d) Separation pay is payable in one lump sum to an employee upon termination of employment. If the termination occurs after July 1, an employee may request a partial payment be deferred to January of the next calendar year. In such cases, a lump sum payment will be paid equal to the number of week's pay from the employee's termination date to the end of the calendar year. The remainder of the separation payment will be paid in January of the following year. Such irrevocable requests must be made in writing prior to the termination date. If the employee so requests, separation pay may be paid in weekly installments of full wages until the total amount is exhausted. In the event of death, any unpaid balance shall be paid to the spouse or dependents.~~

~~(e) Employees accepting separation allowances under this paragraph have no further rights or service credit under this Agreement.~~

~~(f) An employee who is entitled to sick pay or is in the sick leave waiting period on the day prior to the date of a plant closing shall continue to receive sick pay for the duration of that illness, but only up to the maximum amount provided under ARTICLE XXV and then only to the extent that such employee complies with the provisions of that Article. In such situations of sickness beyond the plant closing date, when the employee recovers from the illness or has exhausted the sick pay entitlement, whichever occurs first, the employee shall be entitled to the option of receiving separation allowance (with any vested pension for which employee may qualify) or retiring on closing pension or on disability pension. (If the employee's physical condition so warrants).~~

C08 – Letter of Understanding. 18. Delete in its Entirety:

~~The Company agrees that prior to permanently discontinuing a specific safety intervention or the use of personal protective equipment, put into to place as the direct result of the COVID-19 pandemic, the Company shall first meet and discuss the appropriateness of such change with the Union.~~

C09 – Letter of Understanding. 19. Delete in its Entirety:

~~The parties agree that time missed from work due to being confirmed as COVID-19 positive or other Company mandated quarantine (e.g. travel quarantine, age/high risk quarantine, exposure quarantine, etc.) shall not count against an the individuals eligibility for vacation time or pay in the following year.~~

C010 – Letter of Understanding—Casings. Add New Letter of Understanding:

Letter of Understanding

The parties agree that the Company may subcontract the casings work, provided however, the contract company selected to perform the work must agree to recognize the Union as the exclusive representative of the employees who perform the casing work at the Company's Worthington, MN facility. In the event that the contract company does not agree to such representation, the Company may not subcontract the casings work.

It is clearly understood that if the casings work is contracted out, any negotiations or agreements for a collective bargaining agreement shall be between the contract

company and the Union. The parties unequivocally agree that Swift is not a party to any collective bargaining agreement between the contact company and the Union, liable or subject to the terms of said agreement, or will be involved in the negotiations or administration of said agreement. Nothing in the Letter of Understanding or other agreement(s) shall be construed to create a Joint Employer relationship between the contract company and Swift or be used to that end.