

Memorandum of Understanding Between 3M Company and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers Union, AFL-CIO, Local 11-75

Effective April 8, 2020

On an emergency basis, to address the COVID-19 virus and its impact on 3M employees and their families, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers Union, AFL-CIO, Local 11-75 (the "Union") and 3M Company ("3M" or the "Company") have bargained in good faith and agreed to the following provisions with regard to the effects of the ongoing COVID-19 global pandemic on Company operations at 3M Center in St. Paul, Minnesota, and the resulting layoffs of certain Union employees.

1. **Applicability.** This MOU applies to work schedule changes and layoffs of employees due to any circumstance that the Company determines in good faith to be a result of the COVID-19 global pandemic during the 60-calendar-day period following the effective date of this MOU, including, but not limited to, the reduction of operations on account of:
 - a. Staffing shortages;
 - b. The Company's interest in protecting its workers and their safety;
 - c. The impact to supply or evaluation needed to assess supplier base and/or resources;
 - d. A government-mandated business shutdown for non-essential infrastructure; or
 - e. The decrease in product demand as a result of customer impact.
2. **Layoff Procedure.** The Company will lay off employees in accordance with Section 9.05 of the Collective Bargaining Agreement between 3M and the Union dated August 19, 2019 (the "Agreement"), and any recalls from layoff will proceed in accordance with Section 9.07 of the Agreement.
3. **Paid and Unpaid Leave During the 60-calendar-day period.** The Company will provide each Union employee who is covered under this MOU with terms and conditions of employment as follows:
 - a. **Non-work schedule.**
 - i. Employees will be provided with paid leave for up to the first 15 workdays (21 calendar days) during the 60-calendar-day period they are not scheduled to work ("COVID-19 Union Paid Leave"). Pay during the COVID-19 Union Paid Leave will be provided in the form of up to five eight-hour paid days per week at the employee's base rate of pay (not including any overtime, shift premiums/differentials, or other premium pay), up to a total of 120 hours. COVID-19 Union Paid Leave will be paid pursuant to the Company's standard payroll schedule and practice applicable to Union employees, including standard deductions and withholdings. To the extent that an employee is recalled to work prior to the end of this 21-calendar-day period, COVID-19 Union Paid Leave will end as of the day prior to his first shift after recall.

- ii. COVID-19 Union Paid Leave will be deemed to satisfy any obligation the Company may have to provide pay in lieu of notice under Section 9.06(b) of the Agreement.
- iii. To the greatest extent permitted by applicable law, COVID-19 Union Paid Leave will run concurrently with, and will be used to satisfy, any paid leave required to be provided to employees under applicable law or provided by any governmental entity, including, but not limited to, paid leave related to the COVID-19 pandemic. If any federal, state, or local governmental entity provides paid time off benefits to employees in the event of a site closure, shutdown, or layoff due to COVID-19, 3M will offset the amount of any government benefits from the COVID-19 Union Paid Leave Pay provided under this MOU.
- iv. Unused COVID-19 Union Paid Leave Pay will not be paid out at termination of employment or at the conclusion of any COVID-19 Union Leave or Layoff.

b. COVID-19 Union Unpaid Leave.

- i. An employee who remains not scheduled to work as of the end of their COVID-19 Union Paid Leave period will be placed on an unpaid leave of absence for up to 39 calendar days (days 22-60 of layoff, ("COVID-19 Union Unpaid Leave"). To the extent that an employee is recalled to work prior to the end of this period, COVID-19 Union Unpaid Leave will end as of the day prior to his first shift after recall.
 - ii. An employee may use available Vacation, Sick Leave or Personal Holidays (in increments currently allowed under the Agreement) during the first calendar week of COVID-19 Union Unpaid Leave (days 22-28 of layoff). To the extent permitted by applicable law, no employee may use vacation after the 28th calendar day of his or her layoff. Except as provided herein, and to the greatest extent permitted by law, employees may not use Sick Leave, Pandemic Leave (as provided for by the MOU between the Company and Union dated April 8, 2020), or any other paid leave during COVID-19 Union Unpaid Leave.
- c. Status After COVID-19 Union Unpaid Leave.** Should an employee remain not scheduled for work at the end of the 60-calendar-day period, the Company may place the employee on an unpaid leave of absence or layoff at its discretion.
- i. Availability of employee benefits during layoff will be governed by the applicable plan documents and the 3M Benefit Plans Collective Bargaining Agreement Summary Plan Descriptions ("Benefits Booklet"). In the event of a conflict between this MOU or the Benefits Booklet and any applicable plan document, the plan document shall control. This MOU does not constitute the official plan document for any 3M benefit plan.
 - ii. For the avoidance of doubt, it is the Company's intent to continue active employee medical coverage for eligible employees during COVID-19 Union Paid Leave and COVID-19 Union Unpaid Leave, subject to the terms of the medical plan. During COVID-19 Union Paid Leave, medical premiums will be deducted from Pay in accordance with the employee's elections under the 3M medical plan. During COVID-19 Union Unpaid Leave, employees will be billed directly for their

share of medical premiums. To the extent that an employee does not pay his share of medical premiums during COVID-19 Union Unpaid Leave, the Company may deduct the amount of such premiums from future paychecks to the extent permitted by applicable law. Medical coverage for employees who remain on any combination of COVID-19 Union Paid Leave and COVID-19 Union Unpaid Leave for more than 60 days will end, but employees may be able to continue coverage under COBRA at COBRA rates.

- iii. If an employee already is on a paid Parental Leave prior to his or her layoff, paid Parental Leave benefits will continue to the extent approved in accordance with Appendix 4 of the Agreement. If paid Parental Leave ends during the employee's eligibility for COVID-19 Union Paid Leave or COVID-19 Union Unpaid Leave period, the employee will be placed on either COVID-19 Union Paid Leave or COVID-19 Union Unpaid Leave for the remainder of the applicable period.
 - d. No Union employee will be eligible for more than a total of 15 regularly scheduled workdays (21 calendar days) of COVID-19 Union Paid Leave or more than a total of 39 calendar days of COVID-19 Union Unpaid Leave unless expressly agreed in writing by the Company.
4. **Plant Engineering.** During this 60-calendar-day period, employees in the Plant Engineering organization will be placed into one of three shifts (1st 7:00am – 3:00pm; 2nd shift 3:00pm – 11:00pm; 3rd shift 11:00pm – 7:00am, starting the first Monday morning at 7:00am after the approval of this agreement). The Company continues to reserve the right to create a 3rd shift if business demands require. Preference for shift will be determined by seniority, with the understanding that current 2nd shift employees will have preference over others for the 3:00pm – 11:00pm shift.
- a. Should an employee end up on a shift that does not allow them to work due to their current off-work situation(s), that employee may request to swap shifts with an employee on an alternate shift. This swap will be for the entire time period that this three-shift arrangement is in effect, and not change day to day or week to week. Other employees, beyond the two involved in the swap, will not invoke seniority or other terms of the agreement to interfere with the swap and agree to not file any grievance related to such swap.
 - b. VOT and AVOT will continue to be available during the effectiveness of this MOU with the understanding that VOT and AVOT scheduled Monday thru Friday will be worked after the shift for those on the 1st shift and before the shift for those on the 2nd shift and before the shift for those on the 3rd shift.
 - i. For those 3rd shift employees that choose to sign up for 8 hours of VOT on a Saturday, they will be scheduled to work the VOT from 3:00pm to 11:00pm on that Saturday.
5. **Fab Services.** During this 60-calendar-day period, 21 employees in the Fab Services organization will be placed into a group of rotating employees.
- a. The group will consist of 21 employees who will be placed into a 2- or 3-week first-shift rotation based on seniority and the employee skills that meet the needs of the company. The groupings will rotate every two or three weeks and will work their
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weekly schedule of Monday to Sunday. Employees on rotation weeks when they are not scheduled to work, will be placed on COVID-19 Union Paid Leave or COVID-19 Union Unpaid Leave, on the terms specified in Section 3, for the first 60 calendar days they are not scheduled to work.

- i. All employees working will be paid their regular wage for hours worked and any overtime or shift premiums per the contract provisions. If you are using pandemic pay and impacted by the temporary layoff, you would move to COVID-19 Union Paid or Unpaid Leave (as applicable) and stop your pandemic pay. If you return to work and still qualify for pandemic pay, it will be available for your use.

Example: Joe Smith is put on a COVID-19 Union Paid Leave. First three weeks are paid at 100% of their base hourly wage for a total of 120 hours. Week four, the employee could use 40 hours of vacation time, sick time, and/or personal holiday. Weeks five – eight, the employee would not be paid, but benefits would remain in place up to the 60th day in accordance with the terms of the applicable benefit plans. If on day 61 the site needs do not change, those employees who do not meet the needs of the site will be placed in layoff status.

- ii. Asked overtime will be available to those scheduled to work their week of rotation (Monday to Sunday), and would not be offered to those receiving COVID-19 Union Paid Leave, on vacation, or when they are in a COVID-19 Union Unpaid Leave status.

- b. The employees in Fab Service not part of the 21-employee rotation will be placed on leave as specified in Section 3.

6. **Warehouse.** Should the needs of the organization result in a decrease in the level of staffing required to perform the warehouse operations, Section 3 of this MOU will apply and the parties will meet to determine if an arrangement similar to that for Fab Services will be implemented.
7. **Effective Date and Expiration:** This MOU will become effective when signed by authorized representatives from both parties and will expire on the 61st calendar day following the first day that any Union employee is on COVID-19 Union Paid Leave. Thereafter, unless an extension is agreed to in writing by the parties prior to that date, however, that Sections 3(c), 3(d), 7, 8, 9 and 10 shall survive expiration of this MOU.
8. **Entire Agreement:** This MOU constitutes the entire agreement between the Company and the Union concerning the subject matter hereof. Except as otherwise provided herein, this MOU cannot be modified or altered in any way except in a writing executed by the parties.
9. **Non-Precedent-Setting:** The parties enter into this MOU on a non-precedent-setting basis. The Agreement (as modified by any preexisting agreements between the parties) and Benefits Booklet remain in full force and effect except as expressly provided herein.
10. **Compliance with Law:** 3M and the Union will comply with applicable law in connection with the subject matter addressed by this MOU.

Accepted and agreed this 8th day of April 2020.

On behalf of USW Local 11-75

On behalf of 3M

By: Bill

Its: USW STAFF

By: Thomas E. Heimer

Its: 11-75 President

By: Betsy Anderson

Its: HR Manager

By: Mike Lubinski

Its: Facilities Operations Mgr.