

AGREEMENT BETWEEN

MCCLATCHY NEWSPAPERS, INC.,
PUBLISHER OF THE SACRAMENTO BEE
("Company" or "Publisher")

AND

PACIFIC MEDIA WORKERS GUILD
LOCAL, 39521
("Guild")

January 1, 2023 – December 31, 2025

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PREAMBLE

This Agreement is made this first day of January 2023, between McClatchy Newspapers, a corporation, Publisher of THE SACRAMENTO BEE, hereinafter referred to as “Publisher” or “Company”, and the - PACIFIC MEDIA WORKERS GUILD, LOCAL 39521, 433 Natoma Street, San Francisco, CA 94103, hereinafter referred to as the “Guild,” for itself and on behalf of all the employees represented by the Guild in the editorial and advertising departments.

ARTICLE 1 RECOGNITION

1.1 (a) The Guild’s jurisdiction is recognized as applying to the kind of work presently performed or by established practice performed by the employees in the unit covered by this Agreement, and any work which may supplant or substitute for such work presently performed (excluding work performed by employees covered by the Editorial Production Agreement). Any work or equipment that supplants the foregoing shall be assigned to employees covered by this Agreement. Work now within the Guild’s jurisdiction shall be assigned to employees covered by this Agreement.

(b) The Guild’s jurisdiction shall be expanded to include the following work:

1. The creation by bargaining unit employees of original, journalistic (i.e. news content for the SacBee.com website; and
2. The designing of a web page for the SacBee.com website by bargaining unit artists; and
3. The use (including use for editing) by bargaining unit photographers and bargaining unit reporters of video and audio recording devices to produce video and/or audio to accompany stories on the SacBee.com website.

(c) Section 3.1 of the current labor contract shall apply to the work detailed above in paragraph 1.1(b)

(d) The Guild shall not utilize the performance by bargaining unit employees of the work detailed above in paragraph 1.1(b) in support of an argument that employees of the Interactive Media Division should be included in the bargaining unit.

(e) No Interactive Media Division employee shall be covered by the labor agreement between the Company and the Guild.

1.2 (a) This Agreement covers all employees in the Editorial Department, (excluding those employees in the Editorial Production Center), the Retail Advertising, Classified Advertising, National/Local General Advertising, Co-op Advertising and Ad Creation Departments.

(b) Advertising Positions

The Interactive Media sales and sales support staff will be managed by the Advertising Division. These positions are not within the bargaining unit and the duties performed by these individuals are not within the jurisdiction of the Guild.

- 1.3 (a) The following are excluded from the application of this Agreement: Executive Editor, Managing Editor, Deputy Managing Editor, Senior Editor (7), Team Leader II (6), Western Region Investigative Editor, Team Leader I (- 6), West Regional Growth Editor, West Regional Visuals Editor, City Editor, Sr. Opinion Columnist – Editorial Board, Opinion Columnist (3) – Editorial Board, CA Senior Managing Editor, Associate Editor, V.P. Advertising, Local Sales Director, Administrative Assistant (7), VP Local Sales – West, Major/National Sales Manager, Strategic Sales Directors (2), Advertising Production Coordinator, Workflow Implementation Manager, Automotive Coach, Political Partnership Manager/West, Political Account Manager/West (2), Asst. Coach, VP Strategic Sales - West, Real Estate Coach, , SMB Regional Sales Manager, Retail Sales Coach (3), Advertising Fulfillment Manager/West, Special Sections staff, Direct Marketing staff, Front Counter Administrators and any other supervisor as defined by the National Labor Relations Act plus Interactive Division and Editorial Board.
- (b) Due to the evolving nature of the online transition in the newsroom, it is understood that the Company will be changing some of the newsroom managerial titles in Section 1.3 of the agreement and provide that the Guild will be informed of any changes to managerial titles within 10 days of the change. It is agreed that this will not result in an increase in the number of excluded positions in the newsroom.
- 1.4 Employees covered by this Agreement shall have the right to belong or to not belong to the Guild and the right to pay or to not pay dues and/or fees to the Guild if they are not members.

ARTICLE 2 PART-TIME AND TEMPORARY EMPLOYEES

- 2.1 (a) Part-time and temporary employees shall not be hired where the result is the layoff of any full-time employee who was employed as of March 12, 2007.
- (b) Notwithstanding 2.1(a), the Company may during the term of this Agreement, replace up to four (4) full-time employees who were employed as of March 12, 2007 with part time employees, with four weeks advance written notice to The Guild and affected employees. Any full-time employee so replaced shall have the option either to fill the new part-time position or be laid off with the severance benefits set forth in Section 6 of this Agreement. Any part-time position created as a result of the foregoing replacement shall be scheduled for at least the minimum number of hours per week which would qualify the employee holding the part-time position and working the scheduled hours for health insurance coverage.
- (c) Any full-time employee replaced pursuant to 2.1(b) who opts to fill the new part-time position shall be entitled to a cash severance payment equal to one week of pay for each year of Company service up to a maximum of 13 weeks if the new part-time position is not comparable to the full-time position being replaced. A new part-time position is not comparable if (a) the number of working hours and base pay are not within eighty (80) percent of the replaced full-time position or (b) the job location of the part-time position is greater than fifty miles from the replaced full-time position. (Any employee who opted to

fill a new part-time position pursuant to this paragraph and who was thereafter laid off prior to January 1, 2017, shall be treated as a full-time employee for severance pay purposes, less any severance amount already received as a result of this provision).

(d) Prior to involuntarily replacing any full-time employees pursuant to 2.1(b), the Company shall first request volunteers. Whether or not to accept any volunteer is at the Company's discretion. Any volunteer whom the Company accepts shall count toward the four (4) replacements allowed by 2.1(b).

(e) If an employee initiates a request to be converted from full-time to part-time, and the Company grants the request, such a conversion shall not count toward the four (4) replacements allowed by 2.1 (b).

2.2 Part-time employees:

(a) A part-time employee is one who is employed and scheduled to work less than the normal work week (37.5 hours) provided for in Section 5. Experience credit for all part time employees shall be determined on a pro-rata basis.

(b) All part-time employees shall be covered by all provisions of this Agreement except as expressly provided here or elsewhere in this Agreement. Among the provisions which shall not apply to regular and occasional part-time employees hired before the date of signing this Agreement are the following: Sections 5.3, 5.11, 5.14, 7, and 14.2. Among the provisions which shall not apply to regular part-time employees hired after the date of signing this Agreement are the following: Sections 5.3, 5.11, 5.14, 7, 13.4, 13.5, 13.7, 13.8, 14.2 and 19. Among the provisions which shall not apply to occasional part-time employees hired after the date of signing of this Agreement are the following: Sections 5.3, 5.11, 5.14, 6, 7, 13.3, 13.4, 13.5, 13.7, 13.8, 14.2 and 17.

(c) All part-time employees shall be paid on an hourly basis equivalent to the salary provided for their classification and experience.

2.3 Temporary Employees

(a) A temporary employee is one employed for a special project or for a specified time, or hired to substitute for one or more employees on vacation, such employment not to exceed six months (which time limit may be extended by mutual agreement) or an employee who is hired to substitute for a particular employee absent on leave hereunder, in which case the employment may continue for the duration of the leave.

(b) Temporary employees are covered by all provisions of this Agreement, except as otherwise expressly provided in this Agreement. Full-time temporary employees also shall receive credit for time worked for the purpose of determining experience under Section 4.7. However, temporary employees shall not be entitled to severance pay other than as provided in Section 12.7. Full-time temporary employees are eligible for holiday benefits. In addition, full-time temporary employees are eligible to earn vacation after six months of employment. Part-time temporary employees are not eligible for holidays or vacation.

2.4 This section, and other provisions of this Agreement, shall not apply to part-time or

temporary employees such as election workers, or employees doing work not done regularly by staff members, nor shall this section and other provisions of this Agreement apply to space writers, outside correspondents, or other contractors.

- 2.5 For all part-time and temporary employees, the number of hours and/or shifts worked each week is at the sole discretion of the Publisher.

ARTICLE 3 GENERAL

- 3.1 (a) The Publisher may assign bargaining unit work to individuals holding the excluded positions set forth in 1.2 and to other non-bargaining unit individuals, providing that the assignment of such work does not result in the layoff of any full-time employee who was employed as of March 12, 2007.
- (b) The Company may assign any non-bargaining unit work to bargaining unit employees.
- (c) Nothing in this Section 3.1 shall change the jurisdiction and description of the bargaining unit for collective bargaining purposes.
- 3.2 (a) As soon as possible, and in any event within ten (10) working days after the employee begins work at The Sacramento Bee, the Publisher shall furnish the Guild in writing the following information for each new employee:
1. Name, address, birth date, gender, race and employee number
 2. Date of hire or transfer
 3. Contract classification, status (p.t., temporary or on-call)
 4. Job title and experience rating (if applicable)
 5. Job performance evaluation date
 6. Salary
 7. Place of work if not in main plant (if available)
 8. Phone number
 9. Company email address
- (b) The Publisher shall notify the Guild in each case of the termination of an employee covered by this Agreement as soon as possible and in any event within one week of the date of termination.
- (c) The Publisher shall notify the Guild monthly in writing of changes in classification other than changes resulting from operation of this Agreement.
- (d) The Publisher shall supply the Guild on request, but no more than twice a year, with a list containing the following information for employees covered by this Agreement:
1. Name, address, birth date, gender, race and employee number

2. Date of hire or transfer
3. Contract classification, status (p.t., temporary or on-call)
4. Job title and experience rate (if applicable)
5. Job performance evaluation date
6. Salary
7. Place of work if not in main plant (if available)
8. Phone number
9. Company email address

- 3.3 Before new full-time employees are hired for positions covered by this Agreement, the Publisher agrees to give consideration to present employees who possess the necessary qualifications for the position to be filled. An employee may refuse a promotion without penalty. Employees promoted shall be given a trial period of six (6) months. During such trial period, the Publisher will appraise the employee's performance and determine if the employee passes or fails the trial period. The parties by mutual consent may extend this trial period. The Publisher shall determine the appropriate pay classification and experience rating to establish the employee's pay rate. Said pay rate shall not be less than the employee was paid during the trial period. If, at any time during the trial period, the Publisher determines the employee is failing the trial, the Publisher will attempt to return the employee to his/her original classification. If the employee is returned to a lower classification, the Publisher will determine the experience rating, and the employee's pay rate will be red-circled at the rate he/she was making before he/she was originally promoted.
- 3.4 Should the Publisher create a new job classification, it shall establish a salary for the classification and furnish the Guild with a job description. No later than thirty (30) days thereafter, the Guild may request that the parties meet for the purpose of negotiating a new salary for said classification, and in the event of disagreement, the Guild may submit the controversy regarding the appropriate salary to final and binding arbitration under Section 9. However, the arbitrator shall have jurisdiction to decide the appropriate salary only, and his/her ruling is limited to selection of either the Company's last offer or the Guild's last offer.
- 3.5 Notification to the Guild as required under this Agreement shall be satisfied by email unless otherwise agreed to between the parties.
- 3.6 The Publisher agrees to post all job openings, for no less than seven (7) days, and shall give first consideration to present employees who possess the necessary qualifications, for such openings. The date of the posting will be included on the posting.
- 3.7 Diversity Hiring
- (a) The Employer shall notify the Guild of each vacancy that has been approved to be filled on the Company's applicant tracking system and any such postings shall also be

made publicly available on McClatchy.com/careers. The Guild is encouraged to circulate information about vacancies to interested parties, including diverse individuals and organizations.

(b) Diversity Statement. The Employer adheres to and supports a hiring policy which affords equal opportunity to qualified individuals regardless of their race, creed, color, national origin, age, sex, religion, marital status, parental status, family care status, citizenship, sexual orientation, gender identity, medical condition, physical disability, mental condition, veteran status, or ancestry, or any other characteristic protected by local, state or federal law.

(c) Job Postings. Postings shall set forth the qualifications and requirements of the position.

(d) First Consideration. Internal applicants in the bargaining unit who are qualified shall receive first consideration for vacant positions that have been approved to be filled. Applicants shall be notified of the status of their application and whether a position has been filled. When possible, the hiring manager will provide, upon request, professional development advice to internal applicants who are not selected for open positions. In all instances, the Employer shall hire the candidate it deems best qualified for the position.

(e) Recruitment. In seeking job candidates, the Employer will continue to make significant effort to recruit broadly and to foster a diverse applicant pool. The Employer acknowledges that having multilingual journalists on staff improves the Sacramento Bee's journalism. The Employer will continue to use its best efforts to interview candidates who are bilingual in languages relevant to the Sacramento community to the greatest extent permitted by law. The Employer will furnish job vacancy postings that have been approved to be filled to representatives of the following organizations (or additional organizations the parties may mutually agree to) via the email addresses specified below, but is not obligated to advertise or pay a job board listing fee:

- 1) National Association of Black Journalists: info@nabj.org
- 2) Asian-American Journalists Association: national@aja.org
- 3) National Association of Hispanic Journalists: info@nahjcareers.org
- 4) Native American Journalists Association: contact@naja.com
- 5) National Lesbian and Gay Journalists Association: info@nlgia.org
- 6) Trans Journalist Association: transjournalists.org

(f) If a job posting expires on these sites, the Company shall renew the job posting for as long as they are seeking applicants for the vacancy. The Guild shall be copied onto all emails sent to these organizations.

(g) Guild-represented employees shall have the opportunity for professional development, including training through professional journalism organizations to develop new and advanced skills. The Parties understand and acknowledge that.

available training opportunities may be impacted by budgetary constraints.

ARTICLE 4 SALARIES

- 4.1 (a) Upon ratification of this Agreement, the Employer agrees to establish a minimum annual salary of \$50,000 (or the hourly equivalent based upon a 40 -hour work week) for all new regular full time journalist bargaining unit employees in the newsroom, (excluding administrative and clerical employees).
- (b) Advertising: Upon ratification of this Agreement, the Employer agrees to establish a minimum annual salary of \$50,000 (or the hourly equivalent based upon a 40 -hour work week) for all Strategic Marketing Consultants. The SMB-Inside Sales Representative shall have a \$20.00 minimum hourly salary.
- (c) At the time of ratification, any current regular full-time journalist (excluding administrative and clerical employees) whose salary is below \$52,000 (or the hourly equivalent based upon a 40 -hour work week) shall receive a pay increase to this rate.
- (d) Employees with salaries at or above \$52,000 (or the hourly equivalent based upon a 40-hour work week) will receive a 2% wage increase. If the increase percentage to bring an employee to \$52,000 (or the hourly equivalent based upon a 40 hour work week) is less than 2%, the employee will receive a 2% increase. Administrative and clerical workers shall also receive a 2% increase on ratification. The effective date for these salary adjustments or wage increases shall be effective the first payroll after January 1, 2023.
- (e) Upon the first payroll after January 1 of each subsequent year of the Agreement, all current employees shall receive a 2% wage increase.
- 4.2 Employees covered by this Agreement who have completed the equivalent of one year of continuous full-time employment with the Publisher shall receive annual job performance reviews on the Company's focal point review date.
- 4.3 There shall be no reduction in the base weekly salary of any employee covered by this Agreement except as provided in this Section and in Section 3.
- (a) It is understood that the application of this provision shall provide that upon the request of the Publisher and with the consent of the employee, an employee may be transferred to any lower paying job as specified in this Agreement. Under such circumstances the employee shall retain his/her salary at the time of transfer. If an employee requests to be transferred to a lower paying job or his/her previously held job, and the Publisher agrees, the employee's salary at the time of transfer may be retained at the Publisher's option.

(b) In the event the Publisher demotes an employee to a lower paying job for disciplinary reasons, the employee's salary shall be reduced to no less than the established minimum for the lower rated job. Such demotions must be for just cause only.

(c) During a trial period covered in Section 3.3, the employee shall receive at least the minimum salary for the higher classification.

4.4 Newspaper, news or feature syndicate, press association, or recognized news magazines, and experience in other related fields shall be given first consideration in establishing starting pay levels for employees covered by this Agreement who write or edit news. In respect to establishing the starting pay level for photographers and artists, first consideration will be given to all regular employment on a newspaper, recognized news magazine or corresponding experience in comparable business or in another business in which they perform work similar in character to that required by the Publisher.

(a) Experience level for employees shall be determined by the Publisher at the time of hire.

(b) Experience levels for applicable employees who are covered by this Agreement who are on the payroll as of the effective date of this Agreement shall be determined by the Executive Editor based on total regular hours worked and information provided on the employee's employment application.

(c) Subsequent credit for experience shall be based upon total regular hours worked within their job classification.

(d) Employees described in 4.8(b) may appeal their experience level rating in writing to the Executive Editor. The decision of the Executive Editor shall be final.

4.5 (a) Nothing in this Agreement shall prevent employees from bargaining individually for salary increases. Any salary increases granted pursuant to this provision may, at the Publisher's option, be paid either in a lump sum or as an addition to the employee's then current base salary. Such raises shall not delay or extend the employee's annual performance review date.

(b) It is understood that the Publisher may offer an employee more than is contractually required when promoting them into a higher job classification. The resulting promotional increase may also include an early annual merit increase based upon the employee's last annual performance review rating. If the annual merit increase is given early with a promotional increase that raises the employee's salary by more than 5%, the employee's next annual review may at the Publisher's discretion be re-set for one year from the effective date of the promotion.

4.6 Nothing in this Agreement shall prevent the Publisher from conducting job performance reviews and granting merit increases on a more frequent basis than is outlined in this Agreement. Any salary increases granted pursuant to this provision may, at the Publisher's option, be paid either in a lump sum or as an addition to the employee's then

current base salary. The Company's decisions to award, or not award, merit increases or bonuses to individual employees, in whatever amounts, shall not be subject to grievance, arbitration or bargaining with the Guild. Such raises shall not delay or extend the employee's annual performance review date.

- 4.7 Within ten (10) working days of payment of a merit increase, the Publisher will furnish the Guild with the name, classification, job title, previous salary, merit increase, merit increase percentage and new salary of the eligible bargaining unit employee.
- 4.8 The Company shall offer direct deposit of employee's earnings on a voluntary basis.
- 4.9 Any employee covered by this Agreement who is assigned to work fifty percent (50%) or more of any shift in a higher wage classification covered by this Agreement shall receive the rate of pay for the higher wage classification for that shift. This provision does not apply to interns.
- 4.10 Any bargaining-unit employee proficient in a foreign language and who the Publisher regularly requires to provide that foreign language for translation and interpretation services as part of the job responsibilities shall receive a weekly differential of \$25.00 each pay period in addition to their regular salary. The employer may require employees to have their language skills tested before receiving the differential. Certifications may be obtained from the American Translators Association or other translation certification the Company designates.

ARTICLE 5 HOURS

- 5.1 (a) The five-day thirty-seven and one-half (37 1/2) hour week shall obtain for all full-time employees.

(b) Telecommuting - By mutual agreement between the Publisher and the employee, regular full-time employees may work a 37.5-hour workweek from locations other than the Publisher's Sacramento facility. The Publisher will notify the Guild of any employee who enters into an arrangement of this type. Upon four weeks (28 calendar days) prior notification to the Publisher, the employee working under this arrangement may return to the normal work location arrangement. Upon four weeks (28 calendar days) prior notification to the Guild and employee working under this arrangement, the Publisher may end the arrangement and return the employee to the normal work location arrangement. The granting or denial of a telecommuting request by the Publisher shall not constitute a precedent for any other such requests and the Publisher shall have the complete discretion to decide whether or not to grant any such request.

(c) All outside salespeople are exempt from the overtime pay requirements of this Agreement.
- 5.2 Seven and one-half (7 1/2) hours within eight and one-half (8 1/2) consecutive hours shall constitute a day's straight time worked.
- 5.3 If an employee is allowed time off during a regular workday to handle personal matters,

the Publisher may require that this time be made up within the same week, but not on the employee's day off, except by mutual consent. If an employee requests and receives a day off other than his/her regular day off to handle personal matters, the employee shall make up the time by working a day as assigned by the Publisher, provided the employee is given at least 24 hours advance notice of the date on which the time is to be made up. Agreement to any change for personal reasons is at the option of the Publisher, who shall not be penalized in terms of overtime, differentials, premiums or in any other form for such agreement. If the Publisher gives its permission, the employee may deduct the day off from his/her vacation time up to a maximum of five (5) vacation days in a calendar year.

- 5.4 (a) The Publisher shall compensate for all overtime at the rate of time and one-half. Overtime shall be defined as work beyond the unit of hours in the workday or workweek.
- (b) In lieu of overtime, the Publisher may offer compensatory time off provided that the affected employee opts for the compensatory time off. Compensatory time off shall be at the applicable overtime rate and must be taken during the same work week as the hours worked.
- 5.5 Any employee required to return to work after his/her regular working day shall be paid for the time worked, but not less than two (2) hours plus time traveled to and from work, all at the overtime rate. Except as modified by other parts of this Section 5, full-time employees who are called in to work a sixth day (fifth day in a holiday week) or seventh day (sixth day in a holiday week) shall be paid a minimum of five (5) hours at the overtime rate. Working a seventh day shall be by mutual consent.
- 5.6 Employees hired prior to June 30, 1975, who work Sunday as one day of the straight time work week shall be paid in full shift for two-thirds (2/3) of a shift worked.
- 5.7 The Publisher shall cause a record of all overtime to be kept and employees shall report all overtime worked within each payroll period. Such record shall be made available to the Guild in case of a dispute. An employee must receive prior authorization for working overtime from the appropriate management representative.
- 5.8 (a) Work schedules for full-time employees shall be posted one week in advance of the week for which they apply. Except as modified elsewhere by this Agreement, any work performed at hours not scheduled shall be considered overtime. It is understood that in the case of illness, unanticipated jury duty, failure to report, or dismissal of an employee, the Publisher has the following among its options without incurring any overtime or other penalty:
- (1) Changing the days off and/or starting times of other employees to cover the absence.
 - (2) Requiring part-time employees to work additional days and/or hours up to a limit of 7.5 hours in a day, 37.5 hours in a week at the regular rate of pay.
- (b) In the Editorial Department, the Publisher may change the starting times of employees for any shift in a workweek for the purpose of ensuring the coverage of major breaking news or the changed schedules of events to be covered, provided that the affected employees are given notice prior to the conclusion of their current shift.
- (c) The Publisher also may adjust the starting times and/or days off for employees on

overnight out-of-town assignments, provided the affected employees are notified of such starting time or schedule change prior to the conclusion of their current shift.

- 5.9 Any reviewer/critic may be assigned a split shift with no turnaround or night differential payable. In case of such assignment, the reviewer/critic shall receive \$11.00 (effective on the date of signing) for each such split shift worked. With the consent of the employee and the assent of the Guild, any other employee may be assigned split shifts as provided in this section.
- 5.10 (a) The Publisher may designate senior writers II and up to a maximum of eight (8) senior photographers, and three (3) senior artists, who will be exempt from Sections 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.9, 5.11, 5.12, 5.13 and 5.15 but shall be covered by other provisions of this Agreement.
- (b) The Guild shall be notified within ten working days of all such designations and the withdrawal of any such designations.
- (c) Employees shall have the right to refuse such designation as senior writer II, senior photographer or senior artist.
- (d) In the event the designation of an employee to senior writer II, senior photographer, or senior artist, is subsequently withdrawn by the Publisher, the affected employee and the Guild shall be given forty-five (45) days' notice. In the event of such withdrawal there shall be no reduction in pay (such salary shall be red-circled and absorbed by subsequent pay increases). If the employee requests to be removed from this designation, and the Publisher agrees in writing, the employee's pay may be red-circled at the Publisher's option. Any employee red-circled pursuant to this paragraph will be eligible for a merit increase, if any, when his/her weekly base salary falls below one hundred twenty percent (125%) of the salary range midpoint within the applicable classification.
- 5.11 Except in an emergency or as modified elsewhere by this Agreement, the Publisher will provide full-time employees with consecutive days off insofar as practicable. Full-time employees regularly scheduled to work on Sunday shall receive two consecutive days off unless otherwise mutually agreed to by the Guild and the Publisher, or the employee shall have the option to split days off, one of which shall be Saturday.
- 5.12 That part of a shift worked within any period less than twelve (12) hours after the completion of the preceding shift shall be paid for at the rate of time and one-half. By mutual consent, this section may be waived up to twice a week per employee.
- 5.13 Any employee working straight time shifts beginning or ending between 8:00 p.m. and 6:00 a.m. shall receive a differential of \$5.50 per shift.
- 5.14 (a) The following holidays, or the days observed as such, shall be granted to all employees with full pay: New Year's Day, Diversity Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas. In addition to the above nine (9) holidays there shall be an additional holiday, which shall be on the employee's birthday (or another mutually agreeable holiday including Caesar Chavez's Birthday or Veteran's Day) in accordance with the present practice.
- (b) Diversity Day will be selected each year by the employee, during open enrollment.

Selection of their day is subject to supervisor approval. If the Company is unable to grant that request for the employee, that date and corresponding work week will be treated per section 5.14(c). Diversity Day is not a floating holiday, and it may not be used as an extension of vacation, sick leave, another holiday or any other form of paid time off. The Company reserves the right to deny a paid day off for a requested Diversity Day if business needs necessitate or if the selected day does not coincide with a religious, ethnic or diversity event. If an employee is hired after open enrollment has occurred, he or she will not be eligible for Diversity Day until the following calendar year. If an employee leaves employment prior to celebrating his or her Diversity Day, the employee will not be paid for the holiday.

(c) If an employee wants time off for a religious holiday not listed above, the employee, with reasonable advance notice, may request time off for such a holiday. The Company, as in the past, shall make a good-faith effort to grant the request with some arrangement that is consistent with business necessity. There is no requirement either that the Company grant the request, or that if it does grant the request, the time off be with pay. The granting of any request shall not constitute a precedent for the granting of any other request.

(d) The work week for any employee in which any of these holiday's falls shall consist of four (4) days or three (3) days pursuant to Section 5.1(b) totaling the number of hours applicable to him/her as specified in Section 5.1, excluding the holiday. Any employee required to work on the holiday shall receive a paid day off during that same work week. If an employee is required to work longer than two-thirds (2/3) of his/her full shift on any such holiday, he/she shall be paid for all time in excess thereof at the rate of time and one-half the regular rate, in addition to all other pay to which he/she is entitled under this Agreement.

- 5.15 Calculation of weekly overtime (hours worked in excess of 37.5) shall be based on actual hours worked, except that paid time off for vacation or compensatory time off shall be considered as time worked, for purposes of the calculation of weekly overtime.
- 5.16 Notwithstanding any other provision of this agreement, the calculation of overtime (including double time) shall be in accordance with all applicable laws.

ARTICLE 6 SEVERANCE PAY

- 6.1 (a) Severance pay shall be paid to regular full-time employees on a bi-weekly basis in amounts totaling a full severance amount equal to two (2) weeks' pay for every year of full-time equivalent service (prorated for fractional years of service), up to a maximum of twenty-six (26) weeks. An employee shall receive no fewer than four (4) weeks of severance pay, regardless of years of service. Such pay shall be computed at the employee's current rate of pay excluding any overtime, holiday pay, vacation pay, shift, or job differentials or any other premium or additional compensation.
- (b) Severance pay shall be paid to part-time employees on a bi-weekly basis in amounts totaling a full severance amount equal to one (1) week's pay for every year of full-time

equivalent service (prorated for fractional years of service) up to a maximum of four (4) weeks. An employee shall receive no fewer than two (2) weeks of severance pay, regardless of years of service. Such pay shall be computed at the employee's current rate of pay excluding any overtime, holiday pay, vacation pay, shift, or job differentials or any other premium or additional compensation.

- 6.2 Severance pay need not be paid to an employee discharged for just cause (excepting incompetence), self-provoked discharge for the purpose of collecting severance pay, to an employee who is retired from The Sacramento Bee or who leaves of his/her own volition. The payment of severance in any of these cases shall be optional with the Publisher.
- 6.3 From severance pay the Publisher may deduct any levy or tax to which the employee is subject under state or federal legislation.
- 6.4 It is understood that these payments shall discontinue should the employee be rehired by McClatchy during the severance payment period.

ARTICLE 7 VACATIONS

- 7.1 Vacation credit for regular full-time employees shall be granted on the following basis:
 - (a) During an employee's first four years of service, the employee shall earn .0575 hours of vacation time for each hour of straight time paid up to a maximum of three (3) weeks per year.
 - (b) During an employee's fifth and subsequent years of service, the employee shall earn .0767 hours of vacation time for each hour of straight time paid, up to a maximum of four (4) weeks per year.
 - (c) Vacation accrual shall begin on the employee's first day of employment.
- 7.2 Vacations shall be arranged beginning with April 15 and ending with October 15 of each year, except that in the case of employees who have completed five years, but less than ten years of continuous employment as of January 1 of the year in which the vacation is taken, one week of their four weeks of vacation shall not be within the above period unless mutually agreed to. The Publisher shall arrange the vacations in the various departments in accordance with the needs of the office and shall give first consideration to length of service in assigning vacation periods during the initial sign-up period of October 1 to November 30 for the following calendar year. After November 30 in each assignment period, no employee may "bump" a less senior employee from a vacation period already assigned in accordance with this Agreement and the department's individual practice. With the consent of the employee and the Publisher, the vacation may be split and/or scheduled outside the above designated time period. In those departments where it is impossible to schedule all employees to take vacation during the Thanksgiving, Christmas or New Year's weeks, each employee shall have the option of taking vacation in one of those periods at least once every three years notwithstanding seniority.
- 7.3 An employee whose vacation time includes a holiday shall receive an additional day of vacation at a time to be mutually agreed upon by the employee and the Publisher.

- 7.4 Upon termination of employment, an employee (or his/her estate in case of death) shall receive accrued vacation pay.
- 7.5 Employees may accrue vacation up to an amount which equals one week over the employee's annual entitlement. Accrual of unused vacation beyond one week over the annual entitlement shall only be by mutual agreement between the Publisher and the employee.
- 7.6 Employees are strongly encouraged to take their accrued vacation each year. Employees may also take up to one week per year beyond their accrued vacation time. It is understood that this would result in a negative vacation balance, creating a payment advance for the employees. It is agreed if an employee has a negative vacation balance at the time of their termination, the amount advanced by the Publisher to the employee, is subject to recovery from their final paycheck with written authorization from the employee.
- 7.7 In any calendar year, the Company may require employees to use some or all vacation accrued in a given year and/or some or all of the vacation balance that the employee carried into the given year. Employees will be given 30 days' notice prior to vacation use being mandated, although employees may begin scheduling vacation as soon as reasonable. The Company will attempt to accommodate any employee vacation requests in accordance with business needs. However, the Company shall make the final decisions on vacation requests and scheduling.

ARTICLE 8 SICK LEAVE

- 8.1 (a) **ELIGIBILITY:** Full-time employees will receive sick leave benefits in accordance with this Section and may use the hours available in their accrual balance.
- (b) Part-time employees will be eligible for sick leave benefits in accordance with California State Law.
- 8.2 **INCIDENTAL SICK DAYS:** Eligible employees shall be paid for up to ten (10) scheduled workdays per payroll fiscal year for which they do not report to work as a consequence of illness or injury or sick dependent, with prior supervisor approval, for family emergency.
- (a) To receive compensation for incidental sick days, employees must notify their supervisor before the start of the shift for which they will not report.
- (b) In the first year of employment, or upon transfer to full-time status, employees will receive a prorated sick leave balance after one month of service.
- (c) At the beginning of the fiscal year immediately following hire date and at the beginning of each payroll fiscal year thereafter, eligible full-time employees shall have ten (10) occasional sick days.
- 8.3 **SHORT-TERM DISABILITY:** Eligible employees may receive up to 25 weeks of Short-term disability (STD) pay, subject to approval by the plan administrator, within an 18 month period from the Company, while certified disabled by a doctor, are unable to work and are qualified for state disability, - Eligibility and maximum benefit period is determined by the Publisher's STD plan administrator. While on medical leave, total pay for eligible employees will be sixty 60% percent of normal base pay. This is a combination of Company

short-term disability pay and state disability pay. For sales personnel covered by a commission plan, base pay is defined as their weekly base pay plus a weekly average of their direct sales commission earned in the prior year.

At the employee's option, available incidental sick days and/or vacation pay can be used to supplement STD pay, not to exceed 100% of base pay. Incidental Sick Leave or vacation pay can be used for time preceding the employee's eligibility date for disability pay and Extended Sick Leave pay.

- 8.4 **LONG-TERM DISABILITY:** Eligible employees whose qualifying illness or injury exceeds a 180-day waiting period from the first day of disability before LTD begins, are eligible to apply for long-term disability benefits through the Publisher's insurance carrier. Eligibility for long-term disability benefits and the maximum benefit period are determined by the insurance carrier. Long-term disability benefits are integrated with other disability payments including State Disability, Workers' Compensation and Social Security to provide fifty (50) percent of an employee's base pay.

Eligible employees may elect to purchase additional long-term disability coverage under the Publisher's policy to bring total compensation to sixty (60) percent of base salary.

- 8.5 An employee who is absent from work due to a medical condition for more than seven (7) consecutive calendar days must file a claim for State Disability Insurance.

ARTICLE 9 GRIEVANCE AND ARBITRATION PROCEDURE

- 9.1 It is agreed between the parties that fruitless controversies must be avoided and every effort be made to maintain a harmonious relationship. To this end both parties will, in every instance, give prompt attention to disputes and will in good faith endeavor to settle all differences by amicable discussions. However, only grievances as defined in Section 9.2 are subject to arbitration as provided in this Section.

- 9.2 For all purposes of this Agreement, a grievance is any dispute or controversy between the Publisher and the Guild, or between the Publisher and any employee covered by this Agreement, arising and filed during the term of this Agreement, involving the meaning, interpretation, application, or alleged violation of the provisions of this Agreement, or the discharge or other discipline of employees. All grievances brought by the Guild or an employee shall be handled as follows:

- 9.3 (a) Any employee who believes he/she has a problem or complaint should bring it to the attention of his/her immediate supervisor as soon as possible after the alleged dispute or controversy arises. Both parties agree that problems should be settled between the employee and immediate supervisor and/or through the normal chain of command whenever possible.

(b) Any agreement reached during discussions in Section 9.3 shall be final and binding on the employee, the Guild and the Publisher provided such agreement does not ignore, add to, subtract from, alter, amend, change or nullify the terms of this Agreement in any way, or which is in conflict with any of the provisions or the terms or essence of this Agreement.

9.4 STEP 1 OF GRIEVANCE PROCEDURE

Should the procedure above fail to solve the problem and the Guild wishes to pursue the issue as a grievance, or if the grievance originates with the Guild, the unit chairperson (or other designated Guild official) shall notify in writing the Executive Editor (or other designated Company official) in the case of an Editorial Department grievance, or the Advertising Director (or other designated Company official) in the case of an Advertising Department grievance, of the grievance and request a meeting within twenty-one (21) working days after the action, inaction, occurrence or condition constituting the grievance, or within twenty-one (21) working days after any of the above reasonably should have been known to the Guild with reasonable diligence. In the case of a discharge, the grievance would be handled as described in Section 9.9 upon proper notice as required in that Section. Should the grievance originate with the Company, the Executive Editor (or other designated Company official) or the Advertising Director (or other designated Company official) shall notify in writing the Guild Unit Chairperson (or other designated Guild official) of the grievance and request a meeting within twenty-one (21) working days after the action, inaction, occurrence or condition constituting the grievance, or within twenty one (21) working days after any of the above reasonably should have been known to the Company with reasonable diligence. The meeting will be held within twenty-one (21) working days of it being requested. The respondent, whether the Company or the Guild, must respond to the grievance within twenty-one (21) working days from the time the meeting is held.

The written notification of grievance referred to above shall include a detailed description of the dispute or controversy constituting the grievance (including the specific nature of the grievance and the specific provision of this Agreement involved).

9.5 STEP 2 OF GRIEVANCE PROCEDURE

If the Grievance is not resolved, abandoned or withdrawn in Step 1, the Guild or the Company as the case may be shall have twenty-one (21) calendar days from the conclusion of Step 1 to make a written request to hold a meeting within twenty-one (21) working days. Such request will be in writing to the Publisher's Director of Human Resources, or the Guild Administrative Officer as the case may be. After receipt of such request, two (2) representatives of the Publisher and two (2) representatives of the Guild will meet to attempt to settle the grievance. By mutual agreement either party may bring additional witnesses to provide information relevant to the grievance. The Publisher's representatives or the Guild's representatives shall respond in writing within twenty-one (21) working days of the date of the meeting.

9.6 Any agreement reached during Step 1 or Step 2 shall be final and binding on the employee, the Guild and the Publisher.

9.7 If the grievance is not settled in accordance with the foregoing, the Guild or the Company as the case may be may refer the grievance to arbitration by written registered or certified mail notice to the other party to be received no later than twenty-one (21) working days after receipt of the response provided for in Section 9.5. After timely written registered or certified mail notice by the requesting party, the Publisher and the Guild will immediately attempt to agree upon an impartial arbitrator. The arbitrator shall be selected by mutual agreement, or by the striking procedure from the panel listed below; the party to make the first strike shall be determined by lot:

Andrea Dooley

Ron Hoh

John Kagel

Barry Winograd

The said arbitrator shall have no authority to ignore, add to, subtract from, alter, amend, change or nullify the terms of this Agreement in any way, or to render an award which is in conflict with any of the provisions or the essence of this Agreement. The arbitrator's only jurisdiction is strictly limited to application and interpretation of this Agreement or the arbitrability of any such issue in accordance with existing law and to the facts of the particular grievance arising and filed during the term of this Agreement properly before him/her, and his/her decision and award shall be based solely upon his/her interpretation of the meaning or application of the terms of this Agreement to the facts of the grievance as presented. An arbitrator selected hereunder shall have the final authority to rule upon all matters pertaining to the preparation and presentation of each party's case or other procedural matters, in accordance with existing law, which results in differences between the parties.

- 9.8 The fees and expenses of arbitrator shall be paid by the losing party. However, each party shall bear its own costs of advocacy and witnesses. If both parties wish to have a transcript of the hearing, the costs of the court reporter, transcripts for each party, and a reporter's transcript for the arbitrator's use shall be shared. If only one party wishes to have a transcript of the hearing, the other party shall not be required to share in the cost, but shall not have access to the transcript. Each party shall have the right to appearance by counsel of its choice and to present evidence subject to the right of cross examination. Each party shall have the right to present written arguments by briefs after the close of the evidence. The decision of the arbitrator shall be in writing and signed by the arbitrator.
- 9.9 In the event there is a dispute between the parties involving the discharge of employees covered by this Agreement, the parties agree that the Guild Administrative Officer or designee and the Publisher's Vice President, Head of People or designee will meet within seven (7) calendar days following notice to the Guild of such discharge. If the dispute is not settled within that seven (7) day period, the Guild may move to arbitration within twenty-one (21) calendar days following notice to the Guild of the discharge. The Guild and the Publisher will select an arbitrator within ten (10) working days of the notice to move to arbitration by using the procedure and the panel provided in Section 9.7. The arbitrator selected must agree to render a decision within seventy-five (75) days after receipt of all post hearing briefs by the arbitrator from all parties. In the event none of the arbitrators is willing to serve, the parties will contact the California State Mediation and Conciliation Service and request submission of a panel of five (5) qualified arbitrators who are willing to abide by the time limits provided. The parties shall select such arbitrator by the elimination procedure with the party making the first elimination to be determined by lot.
- 9.10 The maximum economic back-pay or fringe-benefit award, determination or obligation adverse to the Publisher or the Guild under this Agreement in any case shall not exceed sixty (60) calendar days except that in discharge cases only the maximum liability period shall not exceed one hundred eighty (180) calendar days. In either instance, the parties agree that any economic, back-pay or fringe-benefit award shall be reduced by whatever remuneration, including but not limited to, unemployment compensation, workers' compensation, disability compensation or other employment compensation that is received

by the grievant between discharge and reinstatement. The one hundred eighty (180) calendar day maximum liability period (for discharge cases) will be extended for the duration of any continuance or extension that is obtained by the Publisher over written objection of the Guild. Should the Guild obtain an extension over the written objection of the Publisher, then the Publisher's liabilities and obligations will not be extended.

- 9.11 Time is of the essence in all of the grievance and arbitration procedures in this Agreement. If the grieving party fails to comply with any of the time limits set forth herein, then the grievance shall be considered waived. If the party against whom the grievance is filed fails to comply with any of the time limits set forth herein, then the grievance proceeds to the next step of the grievance procedure. The time limits set forth herein may be extended by written mutual agreement between the Guild and the Publisher. Neither the Publisher nor the Guild shall be arbitrary or capricious in denying written requested extensions of the time limits set forth herein.
- 9.12 The only burden of proof for any party is the "preponderance of evidence."
- 9.13 Renewal or extension of this Agreement and the terms of any successor agreement are not subjects of any grievance or arbitration under this Agreement and are beyond the jurisdiction of any arbitrator.
- 9.14 Any decision, award, determination or other action by any arbitrator shall be subject to judicial review by courts of competent jurisdiction in accordance with applicable provisions of the law, including but not limited to those relating to vacating arbitration decisions and the interpretation and construction of agreements.

ARTICLE 10 EXPENSE AND EQUIPMENT

- 10.1 The Publisher shall pay all approved legitimate expenses incurred by the employees in the service of the Publisher.
- 10.2 Photographic equipment required by the Publisher shall be supplied and insured by the Publisher. Damage to photographic, recording or new media equipment which is owned by the employee shall be reimbursed if the equipment is damaged while the employee is working; or if the equipment is damaged while such equipment is authorized to be stored on Company premises.
- 10.3 (a) The Internal Revenue Service ("IRS") rate shall be the basis for mileage reimbursement for employees who drive their automobile on Company business.
1. Photographers who furnish their automobiles shall be paid three dollars and 50 cents (\$3.50) per week for the first 100 miles in addition to the mileage reimbursement at the IRS rate. All mileage in excess of the first 100 miles shall be paid at the IRS rate.
 2. Other employees required to furnish their automobiles in the business of the Publisher shall be paid one dollar (\$1.00) per week for the first 100 miles in addition to the mileage reimbursement at the IRS rate. All mileage in excess of the first 100 miles shall be paid at the IRS rate.

3. Employees using their automobiles in the business of the Publisher on a casual basis shall receive mileage reimbursement for all miles driven in accordance with the IRS rate.

4. Adjustments in the mileage reimbursement rate will coincide with the effective date given by the IRS.

(b) Employees shall continue to submit their actual parking expenses while on assignment for reimbursement by the Publisher on the expense report form. Parking at the office will be at no cost to the employees at 1601 Alhambra Blvd.

10.4 (a) All employees required to use a car on Company business are required to have access to a non-Company car and have a current valid California State motor vehicle operator's license.

(b) Effective March 1, 2021, the Company shall eliminate all company provided cars with the exception of the photographer cars, and a minimum of three (3) additional general assignment cars. The company agrees to furnish each photographer a vehicle, including ongoing maintenance as needed. The Company shall pay for gasoline for the photographer cars. Company cars to be disposed of will be made available via auction with a right of first bid and refusal among newsroom employees (subject to a \$500 minimum)

(c) The Publisher may require all employees to furnish their own cars for Company business (excluding newsroom photographers).

(d) The Company agrees that for long-range assignments (exceeding 100 miles one-way) or in hazardous coverage situations such as a large scale wildfire where it appears overhead fire retardant will be used; that if a company vehicle is not available for the employee's use, that the company will provide the option to rent a vehicle for the employee's use. The determination of a hazardous coverage situation will be determined by the Publisher.

10.5 Eligible employees who are required to have a cell phone will be provided a cell phone by the Company.

10.6 All employees shall be trained on how to file for expense reimbursements using the Company's expense reporting system, and such training shall be included as part of a new hire's onboarding.

ARTICLE 11 OUTSIDE ACTIVITY

11.1 (a) Employees shall be free to engage in activities on their own time not performed by enterprises in competition with The Bee, SacBee.com, Sacconnect.com, Sacramento.com or any other enterprises related to the Company. The Publisher or its representative shall reasonably determine what is considered competition. Employees are prohibited from engaging in activities that would compromise the editorial integrity of The Sacramento Bee. Without written permission from the Publisher, or its representatives, no employee

shall use the name of the Publisher or his/her connection with the Publisher or any feature title or other materials of the Publisher to exploit in any way his/her outside activities.

(b) It is recognized that an employee may engage in some activities or work restricted by (a) above, provided the employee has informed the Publisher and the Publisher or its representative have approved of the proposed activity or service in advance. Approved representatives include the Executive Editor, the Managing Editor, the Senior Editors, the V.P. of Advertising or the Advertising Directors.

(c) If, with the approval of the Publisher, an employee enters into an agreement to appear on any broadcast or cable television station or radio station or on-line publication as part of such agreement, the employee shall request that he/she be introduced during such appearances as an employee of the Publisher.

ARTICLE 12 NATIONAL EMERGENCY

- 12.1 Any employee who serves and/or enlists in the Armed Forces, Reserves, National Guard, other uniformed services as defined by state or federal law, or any other category of service designated by the President in time of war or national emergency which takes him or her out of the employee of The Publisher for five years or less, shall be deemed to be an employee on leave of absence and shall resume his/her position for a comparable one without diminution in salary immediately upon return, with severance pay rating and other rights under this Agreement unimpaired. The period of such absence shall be considered employment time with the Publisher in computing severance pay and experience rating.
- 12.2 Application for resumption of employment must be made as directed by state and federal law, which requires (1) for periods of service less than 31 days that the employee report back to work no later than the beginning of the first full regularly scheduled work period on the first full calendar day following the completion of the period of service; (2) for periods of service from 31 days to 180 days that the employee submit an application for reemployment with the employer not later than 14 days after completing service; and (3) for periods of service more than 180 days that the employee submit an application for reemployment within ninety (90) days of termination of such service, plus reasonable allowances for return to The Sacramento Bee.
- 12.3 In the event an employee on the resumption of his/her position is found to be physically incapacitated as a result of such service to the extent he/she is unable to carry on his/her former employment, the Publisher shall make all efforts to place him/her in other acceptable employment. In the event such other employment is not found, the termination of the services of such employee shall be effected, as in other cases, with appropriate severance pay. In special cases of unquestioned or unchallenged incapacity, the application for resumption of employment in Section 12.2 and his/her reinstatement shall be deemed to have been made, and severance pay shall be paid as of the date of the employee's termination of service described in Section 12.1.
- 12.4 An employee leaving for such service as herein described shall receive immediately his/her accrued vacation pay.
- 12.5 An employee promoted to take the place of one entering such service may, upon the resumption of employment by such employee, be returned to his/her previous position and salary, but at not less than the then current minimum for that position. Any employee so

promoted, and while such promotion is temporary, shall continue to receive credit for his/her employment in the experience rating in which he/she is classified. In the event of a subsequent permanent change in employment, and consequent change of classification, the employee shall receive full credit in his/her experience rating in such new classification for the period in which he/she already has been engaged in such new employment.

- 12.6 An employee hired as a replacement for one entering such service shall be covered by all provisions of this Agreement, except by this military service clause. Such replacement employee, however, on entering such service shall receive severance pay and prorated vacation pay.
- 12.7 Upon the return of an employee from military service, the temporary employee displaced by his/her return shall be given first consideration when a vacancy occurs.
- 12.8 Upon an employee's entering such service as hereinabove set forth during the lifetime of this Agreement, his/her rights under this Section shall become vested in him/her and shall survive the expiration of this Agreement.
- 12.9 Leaves of absence shall be granted to employees for required annual training service with the National Guard and the Army, Navy, Marines, or Coast Guard Reserves.
- 12.10 Employees called to duty in the National Guard as a result of a civil disturbance or other temporary emergency shall be compensated in accordance with the Publisher's policy outlined in Section 12.12.
- 12.11 Regular full-time or part-time employees who are called into active military service or National Guard service shall be granted leaves of up to twenty-six (26) weeks (130 working days) of integrated military pay. Employees on active military leave must notify their supervisor of their activation and the amount of military pay that will be received while actively serving in the military. Employees on integrated military pay will continue to be covered through The Sacramento Bee's health insurance plan for up to three (3) months, conditioned upon the employee paying the applicable co-premium for their coverage. At the end of the twenty-six (26) weeks of integrated military pay, the employee may be placed on unpaid military leave.

ARTICLE 13 SECURITY

- 13.1 The Publisher shall not use the signing of this Agreement as grounds for the dismissal of any employee subject to its terms.
- 13.2 There shall be no dismissals, except for just cause or to reduce the force. The term "reduce the force", as used herein, shall be construed as synonymous with layoff for economy.
- 13.3 A newly hired employee shall be subject to a probationary period of six (6) months from the date of employment. By mutual agreement between the Publisher and the Guild, an employee's probationary period may be extended for up to three months. During this period the employee may be dismissed with or without cause. Any such dismissal shall not be subject to the provisions of Section 9 of this Agreement. The requirements of Section 13.5 and 13.7 shall not apply to the dismissal of an employee during his/her probationary period.
- 13.4 (a) Layoffs to reduce the force may be made as the needs of the Publisher require. The Publisher shall decide when and how many employees shall be laid off and its decisions on those matters shall not be subject to the provision of Section 9 of this Agreement. The

Publisher will give the Guild four (4) weeks' notice of any layoff and will meet with the Guild to discuss the layoff at the Guild's request. When deciding on layoffs, the Publisher shall give consideration to the work to be done and the competency, efficiency, skills, ability, previous job performance, seniority, attendance record, training and other qualifications of employees covered by this Agreement. For former Neighbors employees, McClatchy Newspaper experience before September 1, 2002, will not be recognized for the purposes of layoff seniority. The Publisher is not required to layoff in inverse order of seniority. However, if all aforementioned qualifications are equal, the least senior employee shall be laid off.

(b) Employees laid off because of a reduction in force shall be afforded all rights afforded to them under the COBRA statute and its implementing regulations. It is understood that health care insurance coverage for employees laid off will continue through the end of the calendar month in which the layoff occurs. Eligibility for Company paid COBRA benefits will be under the same terms and conditions applicable to non-bargaining employees.

(c) (1) At its sole discretion, the Company may request voluntary layoffs before laying off involuntarily. If the Company does request voluntary layoffs, it shall not be required to accept the offer of any employee who volunteers to be laid off.

(2) Employees whose voluntary lay off requests pursuant to 13.4 (c)- 1 are accepted, shall qualify for severance pay under Section 6, provided that they agree to sign a joint waiver and release of claims.

13.5 (a) Within seven (7) calendar days after the employee is notified of his/her layoff, the employee dismissed to reduce the force shall notify the Publisher in writing by email whether he/she wants to have his/her name placed on a rehire list. Rehire lists shall be maintained by department (Editorial and Advertising), by classification within each department and employment status. An employee who places his/her name on a rehire list shall be placed on a list for a period of one (1) year. No other persons may be hired for the jobs vacated until the laid off employee in that department, classification within that department and employment status are offered the job, unless the laid off employee fails to meet the qualification requirements specified in Section 13.3 or the laid off employees fail to accept such re-employment within fourteen (14) calendar days after notice by email to his/her last known email address appearing on the Publisher's records.

(b) It is understood when reviewing job classifications in terms of the rehire list, where levels within each job title are driven by experience level only, (Reporter, Editorial Asst, Photographer, Artist, and Newsroom Aide), the review of rehire list job classifications will expand to allow laid off employees in level II to be eligible for the corresponding level I position. However, the level II employee must be willing to accept a possible lower starting wage than what they were receiving at the time of lay off.

(c) It is also agreed that if after a severance benefit has been paid, and the laid off employee accepts a comparable position with The Sacramento Bee, The McClatchy Company or an affiliate employer, any such reemployment is contingent upon the repayment to the Publisher of an amount equal to the difference between (a) the number

of weeks of severance received and (b) the number of weeks separated from service. If an employee is accepts a non-comparable position, reemployment is contingent upon repayment to The Publisher of an amount equal to fifty percent (50%) of the formula above. A comparable position is defined as (a) a position for which the number of working hours and base pay are within eighty (80) percent of the eligible employee's current working hours and base pay and (b) the location is within fifty (50) miles from the location of the former position.

(d) It is understood that an "affiliate employer" is a Company that is 100% owned by The McClatchy Company.

13.6 Upon dismissal an employee upon request shall receive a written notice from the Publisher or its agent stating the cause of his/her dismissal, provided such demand is made within 72 hours after the employee is informed of his/her discharge, and the Publisher shall furnish a copy of such notice to the Chairperson of The Bee Unit of the Guild. In the event of an economy layoff, the Publisher shall give four (4) weeks written notice to the employee and the Guild.

13.7 New equipment. Upon thirty (30) days' notice to the Guild, the Publisher has the right to install and operate any new equipment or bring about major technological change in any department covered by this Agreement. The Publisher endorses the policy of aiding in the retraining of displaced employees to the extent practicable to minimize the reduced employment opportunities consistent with the efficient operation of the department affected. It is understood that this provision does not apply to routine software upgrades or the replacement of existing equipment such as computers and associated devices.

(a) The Publisher is committed to providing a safe workplace with respect to computer monitor safety and has agreed to maintain the Sacramento Bee Safety Committee.

(b) The Publisher agrees to maintain a training program designed to inform current and new computer users of computer safe practices, a Computer Safety Committee, workstations designed to prevent injury or illness, a computer eye glass reimbursement program and accessories as set forth in this Agreement.

13.8 (a) Except in the case of an economy layoff, notice of which is provided for in Section 13.5 above, employees shall receive two (2) weeks advance notice or pay in lieu thereof at the time of dismissal.

(b) The discharge of an employee for just cause may be effective immediately without the two (2) weeks notice or pay in lieu thereof.

(c) The Publisher shall give the Guild notice of all discharges forthwith as soon as possible under the circumstances.

ARTICLE 14 LEAVES OF ABSENCE

14.1 (a) Upon request, the Publisher shall grant employees leaves of absence, without pay, for good and sufficient cause subject to the reasonable requirements of the Publisher with respect to the efficiency and orderly operation of the department affected.

(b) Paid Maternity and Parental Leave:

The purpose of the paid maternity and parental leave is to enable employees to care for and bond with a newborn, or a newly adopted or newly placed child. These policies will run concurrently with Family and Medical Leave Act (FMLA) as applicable and will integrate with any applicable local, state and/or federal law. The Company will provide 6-8 weeks of fully paid maternity leave for employees who give birth. In addition, the Company will provide up to ten (10) weeks of fully paid parental leave to employees, following the birth of an employees' child or the placement of a child with an employee in connection with adoption, parental surrogacy or foster-to-adopt care. For birth mothers, the 6 – 8 weeks of maternity leave and the ten (10) weeks of parental leave shall not run concurrently.

Eligibility:

Eligible employees must meet the following criteria:

- Have been employed with the company for at least 6 months; and
- Be regularly scheduled to work at least 30 hours per week; temporary employees (hired for less than one year) and interns are not eligible for this benefit.

In addition, to qualify for paid parental leave employees must meet one of the following criteria:

- Have given birth to a child; or
- Be a spouse or domestic partner of a person who has given birth to a child; or
- Have had a child placed with them through parental surrogacy; or
- Have adopted a child or been placed with a foster-to-adopt child (in either case, the child must be 17 years or younger). The adoption of a new spouse's child, and temporary foster care such as respite, emergency, kinship or therapeutic foster care, is excluded from this policy.

Amount, Time Frame and Duration of Paid Maternity Leave

Paid maternity leave benefits for employees giving birth, can commence as of the child's anticipated or actual birthdate. The paid maternity leave program will pay six (6) weeks of base pay as a result of a natural delivery and eight (8) weeks of base pay as a result of a c-section delivery.

Prior to the birth of the child, if the employee giving birth to the child is released from work by their physician, before the child's projected due date, they will be covered during that prepartum period under the Company's short-term disability program.

If an eligible employee gives birth to another child within the 12-month time frame, the employee giving birth will be covered under the Company's paid maternity leave program only.

If the employee has not been released by their physician at the end of the paid maternity leave program, the employee may be eligible for the Company's short-term disability program.

Amount, Time Frame and Duration of Paid Parental Leave

Eligible employees will receive up to a maximum of ten (10) weeks of paid parental leave per birth, adoption, parental surrogacy or foster-to-adopt placement of a child/children. The fact that a multiple birth, adoption, parental surrogacy or placement occurs (e.g. the birth of twins or adoption of siblings) does not increase the ten (10) week total amount of paid parental leave granted for that event. In no case will an employee receive more than ten (10) weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth, adoption, parental surrogacy or foster-to adopt placement event occurs within that 12-month time frame.

Each week of paid parental leave is compensated at 100-percent (100%) of the employee's regular straight time weekly pay, based upon their standard hours per week. All parental leave payments will be integrated with, and offset by, any applicable local, state and/or federal paid leave or disability pay. All payments will automatically assume participation in the applicable local, state and/or federal paid leave or disability pay programs. Paid parental leave benefits will be paid on a biweekly basis on regularly scheduled pay dates.

Approved paid parental leave may be taken at any time during the 12-month period immediately following the birth, adoption, parental surrogacy or placement of a child with the employee. Paid parental leave may not be used or extended beyond the 12-month time frame. Paid parental leave for the employee giving birth may begin after their paid maternity leave has ended.

Employees can take parental leave in a minimum of one week increments and must use all paid leave during the 12-month time frame indicated above. Any unused paid parental leave will be forfeited at the end of the 12-month time frame.

Upon termination of the individual's employment, they will not be paid for any unused paid parental leave for which they were eligible.

Coordination with Other Policies

Paid maternity and parental leave taken under these policies (where applicable) may run concurrently with leave under the FMLA, any applicable state or local leave law; as well as the company's short-term disability program. Any leave taken under these policies that falls under the definition of circumstances that qualify for the leave due to the birth or placement of a child due to adoption, parental surrogacy or foster care, the leaves will be counted towards the 12 weeks of available FMLA per 12 month period, as well as applicable leaves in state and local law. All other requirements and provisions under the FMLA will apply. In no case will the total amount of leave - whether paid or unpaid - granted to the employee under the FMLA, exceed the 12 FMLA weeks during the 12-month FMLA period.

After the paid parental leave is exhausted, the balance of any leave may be compensated through employee's accrued sick, Personal Bank, vacation and personal time. The employee has the

option whether or not to use their remaining sick, Personal Bank, vacation or personal time. Upon exhaustion of employee elected use of accrued sick, Personal Bank, vacation and personal time, any approved remaining leave will be unpaid leave.

The company will maintain all benefits for employees during the paid maternity and/or paid parental leave.

If a company holiday occurs while the employee is on paid maternity and/or paid parental leave, the employee will not be eligible for holiday pay, and such day(s), will not extend the total paid maternity or paid parental leave entitlement.

Request for Paid Parental Leave

The employee will provide their supervisor and the People Team Leave Administrator with notice of the request for leave at least 30 days prior to the proposed date of the leave (or if the leave is not foreseeable, as soon as possible). The employee must complete the necessary forms and provide all documentation required to substantiate the request.

Upon return from a personal leave without pay, with an approved job guarantee, the returning employee shall have the seniority that he/she had immediately before commencing the leave. It is understood that the Publisher is not under any obligation to reinstate an employee who takes a personal leave without pay, and who does not have an approved job guarantee.

14.2 (a) After each five (5) years' service completed by an employee, said employee may take an unpaid sabbatical leave of absence of up to a one (1) year duration. Said leave shall not constitute a break in service with the Publisher, provided, however, that said leave shall be without pay and without accumulation of any credits or benefits under this Agreement. The number of employees to be on such leave at any one time shall be subject to the reasonable requirements of the Publisher with respect to the efficiency and orderly operation of the department affected, providing that the granting of an employee's leave hereunder may not be deferred for a period of more than twelve (12) months. Upon the employee's return, he/she shall be restored to his/her former job classification and salary but at not less than the current minimum for said classification. It is understood that the Publisher is not required to restore the employee to the job that he/she had before the leave. An employee temporarily promoted or receiving a salary increase over the minimum herein provided for his/her regular classification or salary for filling the vacancy created during said absent employee's leave may be returned to his/her previous position and salary, but at not less than the then current minimum for said position.

(b) Sabbatical leaves may not be taken for the purpose of changing jobs or professions. Any employee on sabbatical leave who subsequently applies for unemployment compensation shall automatically forfeit such leave and be considered as submitting a resignation.

(c) Employees while on sabbatical leave shall not accept employment for compensation with any of the competing news or advertising media or services or with a public relations office of a business or government agency having a regular and direct relationship with

any McClatchy Enterprise. Nothing in the foregoing shall be interpreted as prohibiting employment in the nature of political activity as provided in state law.

(d) Employees taking sabbatical leave may continue to participate in the Publisher's group health insurance plan through the end of the month during which the leave begins. Thereafter, employees may continue their group health insurance in conjunction with federal COBRA guidelines.

- 14.3 In the event an employee is elected or appointed to any office of the Pacific Media Workers Guild or office of a local of the Pacific Media Workers Guild or any AFL CIO office, such employee at his/her request shall be given a leave of absence, without pay, for a period of up to one (1) year. Such leave, at the employee's request, shall be extended up to a maximum of three (3) years provided the Publisher is notified not less than sixty (60) days in advance of the extension. Guild leaves cannot be extended beyond three (3) years unless mutually agreed to by the Publisher and the Guild. Employees on Guild leaves of more than one (1) year shall notify the Publisher of their intent to return at least ninety (90) days before the end of the leave. Not more than two (2) employees shall be on leave any one time. The provisions of this section shall apply to delegates selected to the Pacific Media Workers Guild, or AFL-CIO conventions sector, international or district. The number of members of the staff who may receive leaves of absence for union conventions at one time shall be no more than three (3) unless a greater number is mutually agreed upon. Employees taking a leave under this paragraph may continue to participate in the Publisher's group health insurance plan through the end of the month during which the leave begins. Thereafter, employees may continue their group health insurance in conjunction with the Federal COBRA guidelines.
- 14.4 Employees on leaves of six (6) months to one (1) year shall notify the Publisher of their intent to return at least sixty (60) days before the end of the leave. Employees on leaves of less than six (6) months shall notify the Publisher of their intent to return at least forty-five (45) days before the end of the leave. If notification is not received by the Publisher, it shall be the Publisher's option to determine that failure to provide notice constitutes resignation. The Publisher will notify the affected employee in writing of the requirements of this Section before the employee begins the leave.
- 14.5 Employees who have had a death in the immediate family shall have up to five (5) days off, three (3) days which would be paid to make funeral/memorial service arrangements and/or attend the family/memorial service. If travel of more than 600 miles one way is required to attend the family/memorial service, the employee shall have up to five (5) days off with pay to make funeral/memorial service arrangements and/or attend the family memorial service. It is understood immediate family is parent, step-parent, spouse, child/step-child, sibling, grandparent, grandchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, aunt, uncle, niece, nephew, or domestic partner as defined by the Publisher's policy, which is attached hereto as Attachment I.
- 14.6 Bargaining unit employees shall be governed by the same family and Medical Leave Act Policy that applies to non-bargaining unit employees (a copy of such policy is attached hereto). Conflicts between this Agreement and federal or state leave regulations, i.e., 1993 Family Medical Leave Act, will be resolved in compliance with statutory requirements.

ARTICLE 15 MANAGEMENT RIGHTS

The Publisher expressly retains the complete and exclusive rights, powers and authority to manage its operation and direct its employees except as terms of this Agreement expressly and specifically limit said rights, powers and authority.

ARTICLE 16 NON-DISCRIMINATION

- 16.1 The Publisher and the Guild affirm their intentions to continue to adhere to and support a policy which affords equal opportunity to qualified individuals regardless of their race, creed, color, national origin, age, sex, religion, marital status, parental status, family care status, citizenship, sexual orientation, gender identity, medical condition, physical disability, mental condition, veteran status, or ancestry, or any other characteristic protected by local, state or federal law.
- 16.2 The Publisher and the Guild agree that there shall be no discrimination against any employee because of his/her membership or activity in the Guild or his/her lack of membership or activity in the Guild.

ARTICLE 17 JURY DUTY

- 17.1 Employees called on trial jury duty will be paid their regular weekly salary in addition to any jury duty pay. In no instance will an employee be paid on a sixth day in any one week when serving on a jury.
- 17.2 Employees are required to report for work during their regular scheduled working hours when their presence is not required for jury duty. The Publisher will allow, however, for reasonable travel time to and from the courtroom.
- 17.3 Employees called for jury duty for a full day who are scheduled for a night shift shall be excused from that night shift except when major news breaks require his/her presence. In such exceptions all work hours will be paid at the overtime rate.

ARTICLE 18 HAZARDOUS ASSIGNMENTS

- 18.1 An employee carrying out authorized work involving hazardous conditions shall be reimbursed by the Publisher for loss of or damage to his/her personal property, including his/her automobile, authorized for use on such assignments when such loss or damage is directly related to the hazardous condition. A committee composed of two (2) representatives of the Publisher and two (2) representatives of the Guild will be established during the term of this Agreement to discuss measures satisfactory to the Publisher and the Guild for furthering the safety of employees while covering assignments under hazardous conditions.
- 18.2 An employee traveling on Company business will be covered by \$150,000 death and dismemberment travel insurance. Travel insurance shall be in addition to disability, life, and other insurance benefits already provided by the Publisher and/or state and federal law. No employee will be required to fly, assuming notice of such refusal is given within a reasonable period of time after being given the assignment.
- 18.3 Employees may decline a hazardous assignment based on safety concerns or leave an assignment if they deem it to be unsafe.

- 18.4 The Company shall continue to notify any newsroom employees known to have been exposed to COVID within the newsroom by CAL-OSHA Guidelines.

ARTICLE 19 MISCELLANEOUS

- 19.1 An employee's byline shall not be used over his/her advance protest, providing such protest is for professional reasons only.
- 19.2 The Publisher agrees to provide bulletin boards in the departments represented by the Guild for official business of the Guild.
- 19.3 Reporters may be assigned as photographers and photographers may be assigned as reporters. When performing this work outside of their normal duties, reporters and photographers shall not be judged on the quality of that work but will be based on their ability to complete the work assigned. For this section of the contract, "outside of their normal duties" means that a reporter capturing photos or video, or a photographer providing a story brief.
- 19.4 (a) No regular full-time employee shall be transferred to a McClatchy newspaper without the employee's consent. If an employee seeks a transfer from the Publisher to another McClatchy newspaper, he/she shall receive no expense reimbursement unless the Publisher and the employee seeking a transfer reach a mutual agreement on expense reimbursement. If the Publisher asks a regular full-time employee to transfer to another McClatchy newspaper and the employee consents, the employee shall receive transportation and traveling expense for himself or herself, family, and household effects.
- (b) No employee shall be transferred to another city outside the newspaper's final circulation delivery area without the employee's consent. Employees who consent to transfer to another city outside the newspaper's final circulation delivery area shall receive transportation and traveling expenses for himself or herself, family and household effects. Should the Publisher request the employee to return, the employee is entitled to the same rights and payments. An employee shall not be penalized for refusing to accept such transfer.
- (c) Employees may be transferred over their objection within the final circulation area. The Company whenever possible will make every effort to give any affected employee at least two weeks notice prior to transfer. In addition, the Publisher will make every effort to first post the position for one week, to determine if an employee acceptable to the Company wants to apply for any particular transfer. It is understood that the Publisher will make the final determination of who will be transferred to the bureau. It is also understood that such transfers will not be used for disciplinary or punitive reasons.
- (d) When an employee is transferred, the Guild shall be notified of any ongoing additional compensation paid to the employee.
- (e) If an employee whose moving expenses were reimbursed by the Company leaves the Company's employ within one year of being hired, the employee shall be required to reimburse to the Company the entire amount of moving expenses paid by the Company. If the employee leaves the Company's employ at any time after the first year of employment and before the beginning of the third year of employment, the employee

shall be required to reimburse to the Company half of the moving expenses paid by the Company.

- 19.5 The Publisher may prescribe rules, not in conflict with the provisions of this Agreement, affecting the conduct and work of its employees as the Publisher may deem it to be necessary or desirable in the regulation and operation of its business. Such rules shall be posted conspicuously in the editorial and advertising departments.
- 19.6 Except as modified by the terms of this Agreement, the Publisher is the sole judge of the competency and number of employees required.
- 19.7 There shall be no imposition of unreasonable duties upon any employee constituting in fact a speed-up. It is mutually agreed that the Publisher is entitled to service for the full unit of hours as prescribed in this Agreement constituting a day's or night's or week's work.
- 19.8 With reasonable notice at reasonable intervals, an employee may review the material in his/her personnel file relating to work performance by contacting the Human Resources Department for an appointment.
- 19.9 The day which is payday shall be at the Company's discretion.

ARTICLE 20 NO STRIKE/LOCKOUT

- 20.1 During the term of this Agreement the Guild and its agents will not cause, permit, condone, encourage or sanction and no employee or employees of the Publisher will participate or engage in any strike, slowdown, sick-in, cessation of work, withholding services, work stoppages, picketing, interference with operations of the Publisher or sale or distribution of its products directed against the Publisher at any location. Any employee or employees covered by this Agreement engaging in any such activity shall be subject to immediate discharge as said misconduct shall constitute just cause for discharge under this Agreement. In the event of a strike by another bargaining unit against the Publisher, the Guild shall not encourage the honoring of the other union's picket line and shall advise its members in writing that honoring such picket lines may lead to permanent replacement.
- 20.2 During the term of this Agreement the Publisher agrees it will not engage in any lockout of its employees covered by this Agreement.
- 20.3 A violation of this Section, or a discharge under 20.1 above shall be subject to arbitration provided for in Section 9, provided the authority of the arbitrator for a grievance under Section 9 is limited to deciding whether the alleged violation of the no lockout provision occurred, or whether the alleged violation of the no-strike provision occurred, and whether a particular employee or employees participated in the violation of the no-strike clause, whether the Guild and which, if any, of its agents participated in the violation of the no-strike clause, and to order any violation to cease and enjoin any further violation, as well as award proper compensation to the aggrieved party.

The only burden of proof under this Section is the "preponderance of the evidence."

ARTICLE 21 RETIREMENT

- 21.1 The following programs are provided for the participation of employees covered by this Agreement in accordance with the eligibility rules of each program:
- (a) Bargaining unit members who were participants in the McClatchy Company Retirement Plan (the “pension plan”) through the freezing of the program in March 2009 will retain accrued benefits and continue to accrue time towards vesting. There will be no new entrants to the pension plan, nor will additional benefits be accrued under the plan.
 - (b) The McClatchy Company 401(K) Plan
- 21.2 Eligible bargaining unit employees are entitled to participate in the programs listed in 21.1 above on the same terms and conditions as these programs are available to other eligible employees of The Sacramento Bee. The Publisher has the sole and exclusive discretionary right to at any time change, modify or eliminate any or all of the programs; and /or offer new or replacement programs; and /or transfer participants to new programs. If a program is eliminated, employees will retain all vested and/or accrued benefits. The Publisher shall notify the Guild in writing of any proposed change, modification and/or elimination at least sixty (60) days before the effective date of such change, modification and/or elimination.

ARTICLE 22 BENEFITS

- 22.1 The Company may change and/or eliminate any health and welfare plan and/or benefit and/or the terms and conditions of those plans and/or benefits, applicable to bargaining unit employees without bargaining with the Guild, as long as any such changes or eliminations are equally applicable to non-union employees. It is understood that the Company has no intention to eliminate Company-provided health insurance coverage for eligible employees and their eligible dependents through 12/31/20. Notwithstanding the forgoing, it is also understood that future health insurance coverage may be provided through health care exchanges, pursuant to the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Tax Credit Reconciliation Act of 2010, including any future legislation that amends these laws/regulations.
- 22.2 The cost of providing such insurance shall be borne by the Publisher and the individual employee.
- (a) The Publisher shall contribute each month toward the premium cost of the insurance package on behalf of bargaining unit employees the same amount the Publisher contributes each month towards the premium cost of the insurance package on behalf of non-bargaining unit employees. The Publisher may change the amount of its premium contribution on behalf of the bargaining unit employees without bargaining with the Guild, so long as such changes are equally applicable to non-bargaining unit employees. The Publisher’s contribution shall at all times be expressed in dollar amounts and not percentages.
 - (b) The employee shall pay each month the difference between the cost of the insurance package under which the employee is covered and the amount which the Publisher contributed as set forth above.
 - (c) The Publisher reserves the right to contribute more toward the costs of the insurance

package than described in items 22.2(a).

- 22.3 The Publisher agrees to furnish the Guild annual premium rates for The Sacramento Bee's plans, including estimated composite premiums, upon request.

SECTION 23 AD COMMISSION PLAN

23.1 COMPENSATION

(a) Transition to 2022 Commission Plan

As of the first of the quarter of 2022, advertising marketing consultants and sales representatives shall be moved to the 2022 Ad Commission plan for their respective channel. However, during this transition quarter, their commission calculation will be calculated both on their former plan and the new 2022 plan. They shall receive the greater commission resulting from these calculations pursuant to the two programs each period. Total commission for the quarter, including true-up will not exceed the maximum amount that an employee could receive during that quarter under either program.

As of the first business day of the second quarter of 2022, advertising marketing consultants and sales representatives shall be moved to the 2022 Ad Commission plan for their respective channel.

23.2 2022 COMMISSION PLAN

(a) Individual Revenue Goals - Period

Each marketing consultant and sales representative shall have a total revenue goal for each period. Eighty-five percent (85%) of a marketing consultant and sales representative's total revenue goal shall be his or her "threshold" for their total period revenue goal. There are two tiers. Tier 1 has an annual revenue under \$1,000,000 and has an 130% excellence point. Tier 2 has an annual revenue over \$1,000,000 and has an 120% excellence point. Each period, a marketing consultant or sales representative shall receive commission when the percent achieved exceeds threshold in accordance with the 2022 commission schedule. This calculation is based upon the employee's net revenue achievement.

(b) Individual Revenue Goals- Quarter

1. Each marketing consultant and sales representative shall also have a total revenue goal for each quarter. These quarterly goals will be the combination of the three corresponding period goals. One hundred percent (100%) of a marketing consultant and sales representative's total quarterly revenue goal shall be the "threshold" for their quarterly total revenue goal.

2. An employee must meet or exceed their total revenue quarterly goal to be eligible for any corresponding quarterly total revenue commission payment. These commission

calculations will be done in accordance with the 2022 commission schedule. This calculation is based upon the employee's net revenue achievement.

(c) Quarterly True-Up

Each marketing consultant and sales representative shall be eligible to receive additional commission if they did not reach 100% of a period goal, but reached that quarter's corresponding total revenue threshold. The additional commission for that period shall be paid based on 100% period achievement, less any payment that may have been received for reaching or exceeding period threshold. This calculation is based upon the employee's net revenue achievement.

(d) Revenue Calculation

Revenue is achieved and potential commission is earned when the actual advertisement runs. The employee must be an active employee at the time that the advertisement runs for there to be any potential commission due. Any advertisements that were scheduled or sold to run on dates after the employee's termination date shall not be included in the employee's revenue calculations since the commissions on such advertisements have not yet been earned.

(e) Additional Commission Incentive

It is understood at the Publisher's discretion, that additional commission/incentive opportunities may be created in addition to a marketing consultant or sales representative's regular commission plan. This additional commission and/or incentive are in addition to the employee's regular commission. The eligibility, duration and plan structure of these additional opportunities shall be determined by the Publisher.

(f) Individual Revenue Goal-Setting

The period revenue goal for each marketing consultant and sales representative shall be determined each period by the Company. On or before fifteen (15) days prior to each new quarter, the marketing consultant or sales representative shall meet with his or her supervisor to discuss his or her revenue goals for the next quarter. The marketing consultant and sales representative shall be informed on or before the first day of each quarter of the Company's determination of his or her quarterly and corresponding period revenue goals. On or before the first day of the period, the second and/or third period goal may be adjusted. This period adjustment cannot be more than fifty percent (50%) from the original period goal. If a period goal is adjusted in the quarter, the corresponding adjustment shall be made to the quarterly goal. If the marketing consultant or sales representative disagrees with the goal, he/she may appeal to their manager. The decision of their manager must be made within three (3) working days. If the employee still disagrees he/she may appeal to the division director. The decision of the division director must be made within three (3) working days. If the employee still disagrees, he/she may appeal to the Channel VP. The decision of the Channel VP shall be made within three (3) working days. The decision of the Channel VP on the goal appeal shall be final. The Company agrees that it will post period goal and period achievement information for all sales personnel covered by this agreement, once goals are finalized.

(g) Catastrophic Losses

Any account representing more than ten percent (10%) of a marketing consultant and sales representative's annual revenue quota that goes out of business and/or leaves our market will be removed from the marketing consultants or sales representative's goals. The adjustment to period and corresponding quarterly goal will take effect on the first day of the following period. The ongoing period goal adjustments will continue for twelve (12) months, based upon the previous 12 months account history each period.

(h) Windfall Gains

50% of the revenue from any account that is completely new to the market which represents more than ten percent (10%) of a marketing consultants or sales representative's quota will count towards their goal achievement. The ongoing period adjustments will continue until the beginning of the next quarter.

(i) New and/or Vacant Territories

A new territory is one that, at the time of its creation, is composed primarily of inactive accounts and/or prospective new accounts; or a territory where over 50% of the accounts are new for the marketing consultant or sales representative. A vacant territory is one that has been unassigned for at least 30 days. For the first six (6) months of the existence of the new territory, the individual monthly revenue goal shall be set by the Company based upon the criteria of past history, if any, and reasonable expectations. After the first six (6) months, the setting of the individual period and quarterly revenue goals shall be in accordance with paragraph (f) above.

(j) Administrative Goal Adjustments

As part of the goal setting process, each marketing consultant and sales representative will be required to complete an online affirmation that all of their assigned accounts have been included in the goal setting dash board. Once an employee has been informed of an account change, which must be completed prior to the start of a period; if the account(s) has not been included in their goal setting dashboard either through employee omission or an administrative error, the company has the right to make the corresponding offsetting account history and goal adjustments, both negative and positive, to the appropriate sales executive(s). These administrative goal adjustments are not subject to the limitations outlined in paragraph (f) above, but require the Channel VP's approval.

(k) General

1. Overtime

Outside sales people covered by this plan shall not be eligible for overtime and thus are not covered by the overtime provisions of the CBA.

2. Notification and Payment of Monies Due

On or before the fifteenth (15th) of the month following each period in which a covered employee was eligible to earn monies pursuant to 23.1 (a-c), the Company shall notify the covered employee of what money, if any, they earned in the prior period. Any such monies shall be paid to the employee in accordance

with the 2022 McClatchy Commission calendar (attached).

3. Adjustments

- a. A covered employee shall be responsible for sales-related adjustments which result in uncollected revenue. The dollar amount of such sales related adjustments shall be subtracted from the current month's revenue.
- b. A covered employee shall not be responsible for adjustments due to production related errors, which result in uncollected revenue. The covered employee will receive his/her commission on the ad(s) in questions as if the ad(s) had run correctly.
- c. The dollar amount of uncollected revenue resulting from adjustments shall be considered for goal setting purposes as revenue from the month in which the error causing the sales-related adjustment occurred.
- d. COD uncollected revenue and revenue variances due to contract rate adjustments shall be subtracted or added as appropriate to current period's revenues. If eventually collected, the previously subtracted COD uncollected revenue will be added to current period's revenue.
- e. Any exceptions to these adjustment provisions due to extenuating circumstances must be documented by the coach and require written approval from the Channel Vice President.
- f. (MOU) It is understood that all revenue can only be recognized as outlined in ASC 606.

4. Termination of Employment

A covered employee who leaves the Company's employ during a given period shall receive in commission for that period, the amount of commission earned in his or her territory that period from advertisements that have run up to their termination date. This payment will be made within one week of the employee's termination date. A covered employee who leaves the Company's employ shall not receive commission for advertisements that run after he/she leaves the employ of the Company. An employee who terminated employment prior to the end of the quarter but reached their quarterly goal will be eligible to receive the corresponding quarterly bonus, and/or quarterly True up commission in accordance with the 2022 commission schedule. No payment is due if the quarterly goal is not attained. New hires will be eligible for a prorated quarterly bonus and/or quarterly True-up, based upon their hire date within that corresponding quarter and the provisions described in 23.2.

5. Territories/Account Transfers

- a. The Company shall have the right to modify and/or eliminate territories and to transfer accounts from one territory to another or from outside sales

to a telemarketing desk or from one territory to any other part of the Advertising Division.

b. If a territory handled by a covered employee becomes vacant, the vacancy shall be posted for two (2) days within the Advertising Division and all current employees within the Advertising Division shall be eligible to apply for the vacancy. The Company shall determine who will fill the vacancy. The Company shall not be required to post any vacancy which results from the filling of the vacancy described in the first sentence of this paragraph. The Company shall determine who will fill any such vacancy.

6. Holiday, Sick Leave, Vacation, Wellness, and Jury Duty

Covered employees shall receive compensation based on their monthly base pay for paid days off which they are entitled to under the CBA for holiday, incidental sick leave, vacation, wellness day, or jury duty. In addition, covered employees will be eligible to receive commissions pursuant to this memorandum for revenues generated in their territories during their time off for holiday, incidental sick leave, vacation, wellness and jury duty.

7. Grievance and Arbitration

The following provisions of this memorandum shall not be subject to the provisions of Section 9 (Grievance and Arbitration Procedure) of the Agreement 23.2 (a-c) and k(4).

SECTION 24 SAVINGS CLAUSE

Should any valid federal or state law or final determination of any administrative agency or court of competent jurisdiction require a change of any provision of this Agreement, the provision or provisions so affected shall be automatically conformed to the law or determination and otherwise this Agreement shall continue in full force and effect.

ARTICLE 25 SOLE AND ENTIRE AGREEMENT

- 26.1 This Agreement concludes all collective bargaining between the parties hereto during the term hereof and constitutes the sole, entire and existing Agreement between the parties hereto, and supersedes all prior agreements between the Publisher and Guild or its employees, and expresses all obligations and restrictions imposed on each of the respective parties during its term.
- 26.2 The Publisher and the Guild, for the life of this Agreement, agree that the other shall not be obligated to bargain collectively with respect to any matter not specifically agreed in this Agreement, regardless of whether such matter was or was not within the knowledge or contemplation of either or both of the parties at the time they negotiated this Agreement. With respect to the negotiations leading to the execution of this Agreement, the fact that a proposal was made and withdrawn during the course of those negotiations shall not be used to prove that the party making the proposal had in any manner given up any rights granted to it elsewhere in this Agreement.

ARTICLE 26 DRUG AND ALCOHOL TESTING

The Drug and Alcohol policy attached hereto as Attachment II shall be considered part of this Agreement. The Company may make changes in the policy without bargaining with the Union as long as any such change is equally applicable to non-bargaining unit employees. In the event that any future change(s) in this policy is in conflict with any other terms of this agreement (including the just cause standard set forth in Section 13.2), such other terms of this agreement shall supersede the change(s) in this policy.

(a) It is understood that until there is a medically certified test for being under the influence of cannabis (THC), positive test results for cannabis (THC) will not be considered during a candidate's applicant post-offer testing process. Until the tests are updated, if the testing service tests for cannabis (THC), the results shall remain confidential and not included in the employee's personnel file.

(b) Employees shall not be subject to discipline over a positive test result for cannabis (THC) without the presence of other evidence of impairment while on work time. Any discipline resulting from reasonable suspicion drug testing shall be subject to grievance and arbitration.

(c) It is understood that this clarification in (2) regarding evidence of impairment does not impact the Company's ability to test and discipline as a result of a vehicle accident. Any discipline shall be subject to grievance and arbitration.

ARTICLE 27 VEHICLE ACCIDENT POLICY

The Sacramento Bee Vehicle Accident Policy attached hereto as Attachment III shall be considered part of this Agreement. The Company may make changes in the policy without bargaining with the Union as long as any such change is equally applicable to non-bargaining unit employees. In the event that any future change(s) in this policy is in conflict with any other terms of this agreement (including the just cause standard set forth in Section 13.2), such other terms of this agreement shall supersede the change(s) in this policy.

ARTICLE 28 GRANT FUNDED POSITIONS

28.1 The Company may hire or transfer employees to fill grant- or community-funded positions. Employees transferred into these positions shall not receive a pay cut as a result.

It is understood that existing, regular-status employees transferred into grant- or community-funded positions will remain covered by all terms of the CBA. At the expiration of funding, a regular-status employee who was transferred into a grant- or community-funded position shall return to a regular-status position at a rate of pay at least equal to what they earned prior to the transfer, or what they earned under the grant funding, whichever is higher.

The Company may also hire full- or part-time temporary employees to fill grant- or community-funded positions in accordance with the CBA. Job purpose, compensation and length of assignment are determined by individual funding agreements. Such employees will be covered by all terms of the CBA, including, but not limited to, just cause protections, healthcare benefits, 401K, expense reimbursements, and parental leave (under the terms of the policy), with the exception of the following: 7.1 (Severance pay - short-term temporary employees, hired for less than six (6) months are ineligible for severance), and 14.3 (Guild Leave). It is understood that this exclusion of Guild Leave does not include unpaid time taken for contract negotiations.

- 28.2 Upon creation of a grant-funded staff position, the Guild shall be notified of the duration of the funding for said position(s) and shall receive a copy of the funding agreement that includes, but is not limited to, the source of the funding, terms and conditions of the funding and the beat or coverage area for this position. Upon hiring, the new employee shall also receive a copy of the funding agreement.
- 28.3 Sixty (60) days prior to the scheduled expiration of funding, the Company shall meet with the employee to discuss renewal of the funding. If the funding will not be renewed, the Company shall discuss with the employee any opportunities to move into another newsroom position with the Company for which the employee is qualified. If the employee is qualified for a vacant position that has been approved to fill, and has met performance standards, they shall be given the first opportunity to interview for the position before external candidates.
- 28.4 (a) In the event the Company chooses not to continue/renew the funding agreement, or the funding ends prior to the temporary employee's expected termination date, the Company retains the discretion to keep them employed under temporary status, until their expected termination date.
- (b) If the circumstances in 28.4 (a) result in the termination of the temporary employee, prior to their expected termination date, the temporary employee will be eligible for severance benefits in accordance with the CBA. The Company shall give as much notice as possible and the Company will not challenge unemployment benefits.
- (c) It is understood that short-term temporary employees — employees hired for less than a six (6) month period — are not eligible for severance benefits.
- (d) If the temporary employee is not retained following the termination date described in the employee's offer letter, or if the employee decides to leave prior to their expected termination date, the employee will not be eligible for severance benefits.
- 28.5 It is understood that grant-funded positions can participate in covering other news events, as long as the employee is able to meet the requirements of the funding agreement. Any work outside of the funded beat or area shall be assigned using the same process as other newsroom employees. An employee may request to reject an assignment on the grounds that it interferes with their ability to meet the requirements of the funding agreement, and

such requests shall not be unreasonably denied, however it is understood that the final decision will be made by the Company.

- 28.6 (a) The Company and the Guild agree on the value of adding grant- or community-funded positions to enhance local coverage. In the event such position is not renewed, after the expiration of funding, the Company at its discretion may attempt to source alternative funding to continue coverage of the impacted beat or area.
- (b) In the event the employee leaves the Company prior to the term of the funding, and to the extent the funding agreement allows, the Company may hire another reporter to ensure coverage of the beat or area is continued for the duration of the funding agreement.
- 28.7 In order to supplement coverage, the Company may rely on a partnership with an outside organization to produce content similar to the work performed by bargaining-unit employees provided the use of such content is consistent with past practice.

ARTICLE 29 WORK FROM HOME

- 29.1 The work from home environment as of the ratification of this agreement shall remain in place until the Company provides a physical office space that can accommodate all Employees. Should the Employer provide such space, any mandatory return to office policies would be subject to negotiations with the Guild.
- 29.2 Employees with advance approval from their supervisor, shall continue to have the right to work hybrid, remote or other flexible work schedules presuming all work can be performed adequately. Editors may require employees, for staff meetings, breaking news, or other news events to work from the office or the field.
- 29.3 During any period in which the Editor requires or authorizes an employee to work the majority of their schedule from home on a long-term basis, the Editor shall provide a monthly stipend of at least \$50 subject to applicable taxes and withholdings. This payment is not intended to be a complete representation of all of an employee's expenses and shall not preclude employees from filing for pre-approved expense reimbursements for work-related items.
- 29.4 Any employee may object to working from the office on health and safety grounds, without fear of retribution. The company will work with the employee to see if they can reasonably accommodate their concerns or grant them permission to work from home, assuming their work can be performed adequately.
- 29.5 The Company shall provide equipment for employees to safely work from home. This equipment includes but is not limited to computers and software, cell phones with an activated hot spot, note pads, photo equipment and supplies.
- 29.6 This provision is intended to replace and supersede any other prior agreements outside of this Agreement regarding stipend and other benefits related to remote work.

ARTICLE 30 PERFORMANCE REVIEWS

The Company and the Union agree that there will be a new format for the annual newsroom performance reviews. The overall performance rating shall be 50% based on core competencies (functional competencies, execution, communication, problem solving and leadership). The other portion of the review focuses on individual goals. Supervisors and employees will finalize goals by February 28. Supervisors and employees can collaborate to update/modify goals at any period during the year except during virtual check-in and final evaluation windows. Supervisors and employees will participate in virtual checkins in June and October, during which time they will document and discuss progress to date. Evaluations for the prior year of work (including self-evaluation, manager evaluation, and virtual review) will open and close in January. In this category, 30% of the performance rating shall be based on journalism specific goals established between the reporter and a supervisor, such as beat coverage, writing, source development, and other areas applicable to the employee's responsibilities. The remaining 20% of the overall performance rating shall be based on an "audience growth" category that considers performance metrics or other engagement tools to grow audiences and promote the value of The Sacramento Bee. This category could consider, among other things, the employee's efforts to build relationships with the community, the employee's willingness to adjust coverage to grow subscriptions, and the employee's ongoing collaborative effort with supervisors to build new readership through newsletters, social media posts, subscription deals, etc. Employees should participate with their editors in decisions about story selection, angles and other elements of coverage. Metric goals such as page-views, conversions and other measures of reader engagement should be part of those conversations, and so should potential impact, community value and The Bee's high standards for journalism.

Employees and editors, by mutual agreement, may choose a goal such as page-views, led to-conversions, digital subscriptions or others that measure audience growth. It is understood that any agreement to include such metrics shall be optional to the employee.

For example, if an employee does not achieve their page-view goal, despite reasonable efforts, they will not lose points in the review unless the reporter chose to include a page - view goal in their review.


Appeal process for employee goals:

If the employee disagrees with their assigned goals, they may appeal in writing to their immediate supervisor within 5 working days. The decision of the supervisor to adjust or maintain assigned goals must be made within 3 working days, unless extended by mutual consent. If the employee still disagrees, they may appeal to the Managing Editor. The decision of the Managing Editor must be made within 5 working days, unless extended by mutual consent. The decision of the Managing Editor shall be final. The employee may have a Guild representative present during their appeal process. This appeal provision shall not be subject to the provisions of Section 9 (Grievance and Arbitration).

ARTICLE 31 DURATION AND RENEWAL


This Agreement shall take effect January 1, 2023, and continue in force until December 31, 2025. Upon notice and within ninety (90) days prior to the expiration date of this agreement, the Employer or the Guild may initiate negotiations for a new Agreement.

Agreed to this 3rd day of APRIL 2023.




Colleen Nelson (Apr 14, 2023 14:54 PDT)

Colleen Nelson
Executive Editor
for the Sacramento Bee



Scott Lebar
Managing Editor
for the Sacramento Bee



Hunter Paniagua (Apr 12, 2023 15:45 PDT)

Hunter Paniagua
Business Representative
for Pacific Media Workers Guild,
Local 39521



Theresa Clift (Apr 12, 2023 10:59 PDT)

Theresa Clift
Local President
for Sacramento Bee

SIDE LETTER 1: COMPANY POLICIES

Employees will adhere to policies contained in the McClatchy Employee Handbook, except as amended by this agreement. The Company will advise employees and the Guild of any substantive proposed handbook revisions or additions, and upon request shall bargain over any substantive changes to the terms and conditions of employment. If there are conflicts between the Employee Handbook and this agreement, the Collective Bargaining Agreement will prevail. In no case shall policies be interpreted to violate the National Labor Relations Act.

SIDE LETTER 2: REASSIGNMENT

Notwithstanding any other provision of the Agreement, at its discretion, the Company, upon thirty days (30) notice to the employee, shall have the right to reassign any employee to a position in the bargaining unit or outside the bargaining unit if any of the following occurs:

1. The work performed by the bargaining unit employee is subcontracted; or
 2. The work performed by the bargaining unit employee is transferred to another employee; or
 3. The work performed by the bargaining unit employee no longer exists or is eliminated.
- (a) Employees who are selected for reassignment outside the bargaining unit under this provision shall have the following options:
1. Employees may choose to be laid off and receive any severance benefits that they are entitled to under this agreement; or
 2. In the event a bargaining unit employee accepts reassignment outside the bargaining unit, the individual shall be covered by the following terms and conditions of this Agreement; Section 6, Section 9 and Section 13.2
- (b) All employees who are reassigned under this provision and opt to continue employment shall be eligible for the minimum of their new classification as defined in Section 4.7 or their current hourly rate, whichever is higher. Future merit increases will be subject to Section 4.5 of the Agreement.
- (c) It is understood that this provision does not in any way limit the Company's right to change an employee's reporting beat, assignment, sales territory or vertical.
- (d) This side letter shall not apply to any employee who moves from the bargaining unit covered by this Agreement to the Editorial Production Center bargaining unit.

SIDE LETTER 3: SEVERANCE PAY – GRANDFATHERED GROUP

Notwithstanding Section 6 of the Agreement, each full-time employee listed below shall be entitled to the number of weeks of severance pay which are detailed for him/her. Employees who have thirteen (13) years or more of service as of December 31, 2009, shall not accrue any further severance credit for severance pay purposes. The computation of severance pay for part-time employees shall be as set forth in Section 6 of the Agreement.

Employee	Continuous Service as of 12/31/09	Severance Weeks
Davidson, Joseph	20.34	40.00
Stanton, Sam	18.98	37.96

SIDE LETTER 4: IMPACT OF RESTRUCTURING

The Guild affirms that it will not seek the inclusion of unrepresented West Region newsroom and advertising employees working at other locations into the currently certified unit of The Sacramento Bee via accretion. The Guild further affirms that it will not contest the exclusion of non-bargaining unit employee from the currently certified unit at The Sacramento Bee through grievance and arbitration mechanisms of the Parties’ collective bargaining agreement or through NLRB proceedings. The Guild agrees that work performed by bargaining unit employees for non-union locations will not be used to claim jurisdiction over those locations or the work performed in those locations. Nothing contained herein is intended to limit or otherwise restrict the Guild from seeking to represent the non-bargaining unit employees through the filing of a RC representation petition with the National Labor Relations Board.