

**FRAMEWORK UNDERSTANDING CONCERNING THE PROTECTION AND
PROCESSING OF EMPLOYMENT RELATED PERSONAL DATA OF
EMPLOYEES OF KRAFT FOODS INTERNATIONAL IN EU/EEA COUNTRIES**

The collection, processing and use of employment-related personal data of Kraft Foods International (KFI) employees is essential to the efficient operation of the Human Resources function in order to manage recruitment, administration of compensation and benefits programs, administration of payroll, training, performance management, advancement planning etc. and to protect KFI, its employees and/or the public against injury, theft, legal liability, fraud or abuse.

KFI is committed to the highest standards of protection of the privacy of personal data and has established a series of Privacy Principles governing the collection, use, communication, transparency, consent, correction, disclosure, accuracy, retention and security of such data. These Principles are consistent with the Principles adopted by all KFI's affiliated operating companies.

1. A copy of the KFI Privacy Principles, which are endorsed by the European Council, is attached to this Understanding. The core elements of the Principles are as follows:
 - KFI complies with all applicable national and European legal provisions and agreements protecting the privacy of personal data in the employment relationship.
 - KFI requires any third party (such as affiliates or other third party processors) to abide by its Privacy Principles prior to any transfer of personal data to a third party.
 - KFI collects and uses personal data only in a reasonable and lawful manner and only for relevant, appropriate and customary purposes with the consent of the employee.
 - KFI informs employees about the Company's Privacy Principles, policies and procedures, as well as the purposes and type of data collected about them.
 - KFI provides employees with an opportunity to raise concerns about the collection, use and disclosure of their personal data and seeks to make reasonable accommodations when an individual has concerns.
 - KFI provides employees with an opportunity for reasonable access to their own personal data, to verify its accuracy and completeness and have it amended as appropriate, subject to legislative exceptions.
 - KFI restricts access to employee's personal data to those employees, agents or contractors of KFI who may legally access such data and need access to carry out their assigned employment-related functions. KFI may also provide access to other Philip Morris operating companies for reasonable and appropriate purposes. All Philip Morris operating companies have agreed to protect personal data they obtain from KFI as part of an inter-company data transfer agreement.
 - Disclosure of personal data beyond employees, agents or contractors of KFI, or other Philip Morris operating companies may be made only with the authorization of the employee involved or pursuant to labour agreement or business necessity or as permitted or required by law or legal process.

- KFI uses reasonable procedures to ensure personal data is kept only as long as needed to meet the purposes for which it was collected or as required by contractual agreement or law.
- KFI uses rigorous administrative, technical, personnel and physical measures to safeguard personal data against loss, theft and unauthorized uses or modifications.
- KFI is committed to using a readily available and affordable independent dispute resolution mechanism to resolve employee complaints that cannot otherwise be resolved to the employees' satisfaction through internal procedures.

2. Information & consultation

KFI will inform and consult, as defined in the EWC agreement, the Select Committee (SC) on the development, implementation and management of the KFI policy principles as they relate to EU/EEA employees or employee data within the scope of the EWC agreement.

The SC will receive full information about relevant findings in audit reports, which refer to the privacy policy and protection of employee data, subject to the individual employee's personal right to privacy..

The SC will in addition receive an overview about reports, which are based on personnel data.

Chair and vice Chair of the European Council can decide, if deemed necessary, by joint decision, to carry out additional measures to ensure proper information and fact finding for the committee with regard to data protection.

Rights of Employees

Each employee of KFI in the EU/EEA has the right to inquire about potential non-compliance with the principles laid out in the Privacy Policy of KFI. Such inquiry should be addressed to the appropriate local or national body.

No employee should be discredited for an inquiry about the privacy policy nor should any sanctions be taken towards an employee who has filed an inquiry.

Complimentary provisions

This framework understanding is complementary to existing rights of the KFI management, KFI employees and works council and/or unions at local, national or international level as contemplated in the provisions of the agreement governing the operation of the European Council covering Kraft Foods International in the EU/EEA countries.

Third party agreements/processor agreements

KFI is responsible for any third party supplier/processor's compliance with KFI's Privacy Policy and its implementation pursuant to this framework understanding.