

Costco Wholesale, Inc.
Last, Best, and Final Offer
2022-2025 CBA

The Teamsters and Costco have agreed to a National Contract as noted in Article 1. This means, upon ratification, East Coast employees will align with the West Coast Agreement except where indicated in the Articles below.

Non-Economics: Language Changes

All references are to the West Coast Agreement.

BOLD = Added

~~Strike~~ = Deleted

Article I – Recognition:

The Company will continue to recognize Teamsters Union Locals 542 and 166 as the sole Collective Bargaining Agent for its employees who are employed at its warehouses within the classifications covered by this **National** Agreement. The Company will also continue to acknowledge those Teamster Local Unions who have been assigned by Teamsters Locals 542/166 to service employees at Costco Wholesale warehouses operating in their geographical areas, as agreed to by Teamsters Locals 542/166, the Company and those Local Unions.

Teamsters Unions 542/166 shall in all events be the contracting Parties with the Company and the exclusive Unions to represent and bargain for the employees, and this requirement shall apply regardless of what other Teamster Local Union may operate, or have so-called jurisdiction, in certain areas where the Company presently or in the future has a warehouse. Without waiving the generality of the foregoing, the Company shall not recognize any other Teamster Local Union for purpose of Union shop check-off or otherwise, unless mutually agreed to by the Company and Teamster Local Unions 542/166.

The other Teamster Local Unions who have been recognized to service Costco Wholesale employees and recognized to receive Union shop check-off from Costco Wholesale employees working under the **National** Costco Wholesale Agreement are as follows: Teamsters Local Union #150 for employees working in Sacramento, Placer, and Yolo Counties, Teamsters Local Union #853 for employees working in Mendocino, Sonoma, San Mateo, San Francisco, Marin, Alameda, Contra Costa, Napa, Solano, Santa Clara, San Benito, Santa Cruz, Monterey and Kern Counties, Teamsters Locals #986 and #572 in previously agreed to areas, **Teamsters Local Union #210 for employees working in New York and New Jersey, Teamsters Local Union #570 for employees working in Maryland and D.C., and Teamsters Local Union #592 for employees working in Virginia.**

ARTICLE II – UNION MEMBERSHIP

Add to Section (a)

In Right to Work States subject to applicable law, employees may become members of the Union for compliance with this provision in any one of these three ways:

(1) by becoming a member in good standing by paying the Union initiation fee and other charges pursuant to the Local Union bylaws; (2) by paying uniform initiation fees and monthly dues and choosing not to become a member; or (3) becoming a service fee payer and pay a percentage of the initiation fee and monthly dues based upon the amount of the Union's collective bargaining expenditures bears to the Union's total expenses. If the employee chooses to be a non-member service payer or to pay dues without becoming a member, the employee must notify the Union within thirty (30) days from the date following the thirty-first (31st) day from commencement of employment or the execution date of this Agreement whichever is later. Any employee wishing to challenge the correctness of the Union's calculation of the service fee may do so. Information on the procedure to challenge the Union's calculations will be made available upon request at the Union's office.

ARTICLE II – UNION MEMBERSHIP

(d) D.R.I.V.E. Democratic-Republican-Independent-Voter-Education

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to D.R.I.V.E.; D.R.I.V.E. shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a ~~week~~ **weekly** basis for all weeks worked. The Employer shall transmit to D.R.I.V.E. National Headquarters on a monthly basis, in one (1) check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from that employee's check.

The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employers' actual cost for the expenses incurred in ~~administrating~~ **administering** the bi-weekly payroll deduction plan.

(f) Exclusions

The following employees will be exempt from union membership:

Warehouse

- Warehouse Manager
- Assistant Manager (3 4 per location)
- Human Resources Manager
- Front End Manager
- Assistant Front End Manager (2 per location)
- Receiving Manager
- Administrative Manager
- Merchandise Manager
- Assistant Merchandise Manager
- Area Merchandise Managers (4 per location; 1 being a night Manager)
- Marketing Manager
- Membership Manager
- Ancillary Business Manager
- Opticians
- Optical Assistants actively pursuing State Certification
- Hearing Aid Apprentice
- Pharmacists

- Loss Prevention Personnel
- Fleet Manager (Business Delivery)
- Assistant Fleet Manager (Business Delivery)
- Picking Manager (Business Delivery)
- Assistant Picking Manager (Business Delivery)

(g) Bargaining Unit Work (ARTICLE II (g) Does not apply to East Coast locations)

It is agreed that Management as described in paragraph (f) above may perform bargaining unit work in the case of safety situations, extreme absenteeism in affected departments, or to assure prompt flow of members during peak sales periods, or other production efficiencies. If a violation of this provision occurs, the employer agrees to pay six (6) hours at the straight time rate of pay to the employee in the department who was affected, if such employee can be determined. If not, the employee who filed the grievance shall be paid. A safety emergency is defined as a situation that could cause immediate injury to customers or employees and one where there are no qualified employees available who could correct it. The above does not apply to Managers of the Meat, Bakery, Tire Center, Food Service, Deli operations, ~~Photo Manager~~, or Merchandise Area Managers.

(i) New Hire Orientation Meetings

The Warehouse Manager, or the Manager's designee, will use reasonable efforts to notify the Local Union of new hire orientation meetings. **Union Representatives and/or a Shop Steward will be afforded time to speak briefly on behalf of the Union.**

ARTICLE III – AUTHORIZATION FOR DEDUCTION

(a) Initiation and Monthly Dues

Employer agrees to deduct initiation fees and dues from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization which shall be irrevocable for a period of one (1) year, or until the expiration date of this Agreement, or until the employee is no longer eligible for Union membership. Initiation fees will be deducted in a minimum of three (3) consecutive monthly payroll deductions.

Each individual Teamsters Local shall decide the initiation fee. Dues structures for the lifetime of this Agreement shall be determined in accordance with the International Constitution.

ARTICLE IV- DISCHARGE

a. Right to Discharge

It is mutually agreed that the Employer reserves the right to discharge any employee for sufficient and proper cause. Sufficient and proper cause for discharging an employee shall include but is not limited to theft, dishonesty, gross insubordination, intoxication, possession of or working under the influence of illegal/dangerous drugs/substances and/or narcotics, above the minimum levels determined by D.O.T. standards, refusal or continued failure to observe posted or issued Company rules or procedures, or actions endangering the safety of others. It is agreed that all Company rules and procedures, the breach of which will be cause for disciplinary action, will be posted and sent to the Union simultaneously.

Employees past their probationary period who are discharged for offenses other than the above shall have had a prior verbal corrective consultation on record and a written corrective consultation, or two (2) written corrective consultations of a related or similar offense, with copies sent to the Union.

Additionally, employees with less than two (2) years of service may be discharged for having a total of four (4) corrective consultations in a six (6) month period, even if unrelated, excluding those for absenteeism.

Employees with two (2) or more years of service, but less than four (4) years of service, may be discharged for having a total of five (5) corrective consultations, in a six (6) month period, even if unrelated, excluding those for absenteeism.

Prior to terminating an individual who has been employed two (2) or more years, the circumstances must be reviewed with a Senior Vice President or above. Prior to terminating the employment of an individual who has been employed five (5) or more years, the circumstances must be reviewed with an Executive Vice President or above.

Said corrective consultation notices must provide a space on them for the employee to write in their views on the offense.

The employee shall be required to sign such notice, but such signing shall not constitute Agreement with the contents of the corrective consultation notice. The Employer reserves the right to issue unpaid disciplinary suspensions for up to ten (10) working days for violations that would normally result in termination, in extraordinary circumstances.

Employees who have received three (3) unpaid disciplinary suspensions in a twelve (12) month period may be discharged. This does not include investigatory suspensions.

Employee corrective consultations shall be effective for a period of time not to exceed six (6) months, and will be removed from their personnel files except for:

1. Records of disciplinary suspensions for any major offense which will remain in their file for a period of two (2) years. However, exclusion from job postings will only be for a period of six (6) months.
2. Active consultations for absenteeism. Attendance consultations shall be considered active when all noted instances are within twelve (12) months from the first noted instance, unless that time is extended per provision 3 below.
3. The six (6) months, two (2) year, and the active twelve (12) month period for absenteeism consultations, and the calendar window used for the calculation of discipline shall be extended for any leaves of absence, except where prohibited by state or federal regulation or statute.

Excessive absenteeism is absence from work for any reason for **four (4) unpaid** occasions in any twelve (12) month period and will be subject to progressive discipline and/or discharge if there is no improvement. Vacations, **approved leave of absences**, holidays, scheduled **or unscheduled paid sick/personal time**, funeral leave and jury duty shall not be considered for purposes of calculating instances of absence.

The Company may take separate disciplinary action for patterns of absenteeism and abuse of the attendance program. Patterns of absenteeism is defined as instances of absenteeism in conjunction with scheduled time off, weekends, or any other regular recurring events of four (4) times within a six (6) month period, **as described in Article XI (h).**

Absences caused by Workers Compensation injuries and treatment, F.M.L.A., A.D.A. injuries and treatment where documented by a physician's note for each occasion, or S.D.I. that is used to extend F.M.L.A., or A.D.A., **state law leaves, or other approved leaves and absences, or where otherwise provided by law** will also not be considered. **Costco will not retaliate against or discipline employees for appropriate use of paid leaves and/or sick/personal time.**

An occasion will be any length of absence of more than fifty percent (50%) of the employees scheduled work shift. Employees who work more than fifty percent (50%) of their scheduled shift and then leave due to illness other than Workers Compensation shall only be charged with half (½) an occasion of absence.

The Employer shall have the option to give an Employee an immediate investigatory suspension for a maximum of three (3) of the employee's scheduled work days, not including the day the investigatory suspension is issued, (not to exceed seven (7) calendar days) following the employee's notification of the suspension for violation of a major offense which would normally result in immediate termination as described in the Company Rules and Regulations, until the Employer has decided what final action is to be taken as a result of the violation.

If an employee is returned to work after an investigatory suspension, the employee shall be paid for the lost wages and all records of that event shall be removed from the employee's personnel file.

All employees shall be treated equally in respect to corrective consultations and there shall be no preferential treatment.

A copy of all employee corrective consultations, suspensions and terminations must be given to the employee at the time of issuance, and a copy must be mailed to the Union within seven (7) calendar days.

A corrective consultation must be given within three (3) scheduled working days, from the time any Manager acquires knowledge of the offense, not including the day of the offense, excluding Saturday and Sunday. Failure on behalf of the Employer to process and/or issue such consultation within the time limits as prescribed within shall void the consultation.

A corrective consultation shall have no force or effect after six (6) months from the date on which it was issued (except absenteeism or records of disciplinary suspensions for major offenses), and the remaining corrective consultations shall thereupon be reduced accordingly.

a. Probationary Period

The Employer shall have the right to discharge without cause any employee during the first ninety (90) calendar days of employment if said employee is not satisfactory to the Employer. Such discharge shall not be subject to Settlement of Disputes, Article VI.

Should a probationary employee have a break in service for any reason excused by management for three (3) or more consecutive work days, the remainder of the probationary period will commence following the employees' return to work to their original hire position.

ARTICLE VII—UNION REPRESENTATIVES/SHOP STEWARDS

(b) Union Stewards

The Employer agrees that the Union may appoint four (4) Stewards for each location. It is understood and agreed that such Steward has full-time productive work to perform and that they will not leave their work during working hours except when necessary to perform their duties, and with prior permission of a Supervisor which shall not be arbitrarily denied.

If requested by the employee, a Shop Steward shall be present at all disciplinary meetings provided a Shop Steward is available. Stewards shall be present in accordance with the Weingarten process.

Stewards shall be allowed to attend a Stewards' meeting during working hours once a month.

With advance notice, Union Stewards will be allowed two (2) days off per year for the purpose of Steward training, with prior manager approval which will not be arbitrarily denied.

In the event that a steward is on a leave of absence or otherwise away from work for an extended period of time, the Union may appoint a temporary steward and will provide notice to management.

ARTICLE IX - HOLIDAYS

(a) Paid Holidays

The following days shall be considered contract holidays, and such holidays not worked shall be considered as time worked for the purpose of computing overtime.

NEW YEAR'S DAY	MEMORIAL DAY	FOURTH OF JULY
LABOR DAY	CHRISTMAS DAY	THANKSGIVING DAY

Employees who desire to celebrate Martin Luther King's birthday **and/or Juneteenth** may request to use a scheduled paid sick/personal leave at least two (2) weeks prior to the holiday. The Company shall extend every effort to accommodate the request.

Annual Floating Holiday

Employees will be eligible for an annual paid floating holiday after one year of employment which can be used for a cultural or religious holiday or day of observance, or other day that is meaningful to the employee.

On the employee's anniversary, if they have been paid for 2,000 hours or more the prior anniversary year, then they will be eligible for 8 hours of personal floating holiday time. If they were paid for less than 2,000 hours, then their available personal floating holiday time is prorated accordingly.

Full-time hourly employees will receive an accelerated accrual for all hours worked on Sunday.

Once available, an employee may take their personal floating holiday any time during the anniversary year that is agreeable to the employee and their manager. This personal floating holiday must be used during the anniversary year it becomes available, and will not be carried over to the next anniversary year. Hourly non-exempt employees will be paid out for their

available and unused personal floating holiday at their anniversary and upon termination of employment.

ARTICLE XI - SICK/PERSONAL TIME

(Delete entire Article XI and replace with the below language)

(a) Paid Sick/Personal Time

After ninety (90) days of continuous employment, an employee shall be granted twenty-four (24) hours of paid sick/personal time to be taken in the first year of employment. After one (1) year of continuous employment, employees shall be granted an additional sixty-four (64) hours of paid sick/personal time. Thereafter, on each successive anniversary, employees will be granted eighty-eight (88) hours of paid sick/personal time to be taken during the year. Paid sick/personal time is available for use and will be applied for any sick time absences. Paid sick/personal leave may be used for personal time away from work. Paid sick/personal time may be used for personal or family illness, injury, or preventative health care; reasons related to domestic violence, sexual assault, harassment, or stalking; school or childcare closures by a public official; workplace closures; time lost due to a workers compensation injury; and any other reasons authorized by law.

Scheduled paid sick/personal time may be taken for any non-sick reasons at any time that is mutually agreeable between the employee and their Manager. Said time may be scheduled so as to afford the employee a long weekend or a longer vacation.

Employees must request scheduled paid sick/personal time two (2) weeks, but not more than six (6) weeks in advance, in writing on a form provided by the Company. The Employer agrees to honor all such requests unless they are denied within three (3) scheduled working days of the request. The three (3) day period commences when the designated person or manager acknowledges receipt of request by signature and date. It is understood that an employee can only take up to eight (8) hours in any one day.

Falsification of unscheduled paid sick/personal time claims or proven abuse of unscheduled paid sick/personal time privileges may be cause for discharge or disciplinary action.

A doctor's certificate of illness may be required from any employee who is absent from work because of illness, in the case of excessive absenteeism.

Any employee who becomes sick and is unable to report for work shall notify their Manager or designee one (1) hour before the start of the work shift (except for the first (1st) shift of the day, which should be notified at that time by phone or a verified recording device on a direct line at the start of the shift, or as soon as reasonably possible).

When possible, employees should make reasonable efforts to schedule planned paid sick/personal time for sick time (example: doctor appointments) in advance so as not to unduly disrupt operations.

Absences Not Covered by Paid Sick/Personal Time

Employees who fail to report to work on a scheduled work day, or leave work early for reasons listed in (a), and do not have sufficient paid sick/personal time available to cover

their shift, will result in the absence being counted as an instance of absence or half-absence.

Consecutive unpaid absences are considered one continuous instance unless broken by any period of work. Unscheduled absences will count as an instance of absence even if using vacation time.

If an employee or a family member becomes ill while they are at work and the employee needs to leave early, they must notify their supervisor or manager before leaving.

Calculating Use of Sick/Personal Time

Employees working in two (2) classifications in a calendar week will be paid a blended (weighted average) rate for paid sick/personal time taken during that same week.

Employees will be paid sick/personal time when calling out for their shift or when leaving work early.

If the reason for the absence is for FMLA or other protected leave the employee may choose instead to use vacation or elect no pay for that time. FMLA, State Law leaves, or other approved leaves and absences will not count as instances of absence except where otherwise provided by law.

(b) Sick/Personal Time Eligibility and Amount

Subject to Paragraph (c) below, full pay shall mean pay at the employee's regular rate of pay, for those shifts which the employee would have worked had the absence not occurred, calculated at the regular rate of pay.

Absence from work up to thirty (30) calendar days (one hundred-eighty (180) days for Workers Compensation) within the employee's anniversary year, due to sickness, injury, temporary layoff, or leave of absence, shall be considered as time worked for the purpose of determining eligibility for the full eighty-eight (88) hours of sick/personal time each anniversary year.

In the event that an employee is absent in excess of thirty (30) days (one hundred-eighty (180) days for Workers Compensation) as set forth above, whatever sick/personal time the employee is entitled to shall be prorated according to the straight-time hours actually paid, except that employees will always receive a minimum grant of at least twenty-four (24) hours of paid sick/personal time on their anniversary date.

(c) Sick/Personal Time Integration

Sick/personal leave time shall be integrated with State Disability and Paid Family Leave benefits and Workers Compensation temporary disability benefits so that the sum of the daily sick/personal time allowance hereunder and the aforesaid State Disability or Paid Family Leave daily benefits, exclusive of the daily hospital benefits which may be payable to an employee, shall not exceed one hundred percent (100%) of the employee's regular daily wage at straight time. If the sick/personal time pay allowance to an employee hereunder when so combined with any such State Disability or Paid Family Leave daily benefits received by the employee exceeds one hundred percent (100%) of their regular daily rate at straight time, for any one (1) day, then such sick/personal time pay for that day shall be reduced accordingly. Any portion of the sick / personal time pay allowance not received by the employee by reason of such reduction shall be retained in the employee's sick/personal time bank as a part of their accumulated sick/personal time.

In order to effectuate the foregoing integration with the State Disability and Paid Family Leave all sick/personal time will be broken down from days of sick/personal time as earned to hours, and such sick/personal hours will be used and retained as hours of sick/personal time.

(d) Sick/Personal Time Payoff

Sick/personal time allocated on the employee's anniversary date, and not used during the following anniversary year will be paid off on the next anniversary date.

(e) Industrial Injury

When an employee is injured on the job and is sent home by the Employer or the Doctor, the employee shall be paid for the balance of that day; but this will not be deducted from sick/personal time. There shall be no delay for sick/personal time benefits.

(f) Sick/Personal Time for Part-Time Employees

Part-time employees shall receive prorated sick/personal time based upon hours paid to 2,080.

Sick/personal time between the ninety-first (91st) day of employment and the employee's first anniversary, per section (a) of this Article, shall be prorated based on the total hours paid during this period.

After the employee's first anniversary, sick/personal time shall be calculated based on the twenty-six (26) pay periods ending after the employee's anniversary date. Employees will always receive a minimum grant of at least 24 hours of paid sick/personal time on their anniversary date.

(g) Sick/Personal Time Pay Upon Termination

Any employee with two (2) years or more of service who leaves the employ of the Employer shall be entitled to a pay-off of accumulated and unused sick/personal time and pro-rata portion of sick/personal time since their latest anniversary date based upon hours paid.

There shall be no payout of accumulated and unused sick/personal time or pro rata portion of sick/personal time for employees who leave the Employer who have less than two (2) years of service.

(h) Responsible Use of Paid Sick/Personal Time

Employees are expected to use their paid sick/personal time responsibly. Abuse of unscheduled paid sick/personal time may subject employees to discipline but is not intended to infringe on an employee's rights to properly use paid sick/personal time. The intent of this language is to allow for case-specific determinations of whether any abuse of paid sick/personal time has occurred. The Employer strictly prohibits retaliation against employees for using paid sick/personal time for the reasons described in (a).

The Company may take separate disciplinary action for patterns of absenteeism and abuse of the attendance program. Patterns of absenteeism are defined as instances of absenteeism in conjunction with scheduled time off, weekends, or any other regular recurring events of four (4) times within a six (6) month period.

Each situation will be reviewed on an individual basis, with an opportunity for the employee to provide an explanation. Management will consider special circumstances, such as non-consecutive days off, that would make a pattern not subject to discipline.

The employee may be asked to substantiate that their use of unscheduled paid sick/personal time was for a permitted reason. If it is determined on review that there has been an abuse of paid sick/personal time, then discipline may occur.

The Company will not discipline use of paid sick/personal time for permitted reasons outlined in (a), or for reasons otherwise permitted by law. Costco will not retaliate against or discipline employees for appropriate use of paid sick/personal time.

ATTENDANCE

When an employee is absent from work for ~~nine (9)~~ **four (4)** or more **unpaid** occasions in a twelve (12) month period, ~~you~~ **the employee** will be subject to the following progressive discipline:

Progressive Discipline Steps	Action Taken
1 st unpaid instance	No Discipline
2 nd unpaid instance	No Discipline
3 rd unpaid instance	No Discipline
4 th unpaid instance	Verbal
5 th unpaid instance	Written 1
6 th unpaid instance	Written 2-with suspension
7 th Unpaid instance	Written 3-with suspension pending termination

Article XII- Bereavement Leave

Leave for all employees shall be provided for the purpose of arranging for and/or attending the funeral, as well as grieving the loss, of a member of the employee's immediate family **and/or extended family**.

Bereavement leave **for immediate family** shall be at the straight-time rate for the hours scheduled for each work day lost because of such absence, to a maximum of **five (5)** days. Immediate family shall be defined as the employee's spouse, mother, child, father, brother, sister, step-brother, step-sister, step-child, current step-parent, **pregnancy loss**, and benefit eligible domestic partners.

Bereavement leave for extended family shall be at the straight-time rate for the hours scheduled for each work day lost because of such absence, to a maximum of **three (3)** days. Father-in-law, mother-in-law, sister-in-law, brother-in-law, grandparent, daughter-in-law, son-in-law, grandchild, grandparents of your spouse.

Verification of time required for paid leave shall be supplied to the Employer by the employee, if requested.

Employees will be provided the same paid time off for their domestic partner's family.

In addition to the above, an employee will be allowed extended time off (without pay) in extenuating circumstances or involving relationships other than defined above.

ARTICLE XVIII – CLASSIFICATION & WAGES

(a) Lead Wage Premium

Paragraph 4:

A person assigned to a Lead position shall maintain the right to return to the employee's previous position provided that such request to return is made to the company prior to the expiration of ~~sixty (60)~~ **ninety (90)** calendar days from the date said employee assumes such Lead position.

Add as new paragraph 7:

Leads who are reduced from the position either voluntarily or involuntarily may immediately be eligible to sign postings in accordance with Article XXXII Section 2 (e).

ARTICLE XX - WORKING HOURS, OVERTIME & WORKING IN A HIGHER CLASSIFICATION

(a) Basic Work Week

(Paragraph 4)

~~It is understood and agreed that the Employer shall not replace full-time positions with part-time positions except as defined in Article XXI (a) (1). It is the Employer's intent to maintain a fifty percent (50%) full-time to part-time ratio of employees excluding seasonal periods and those employees working twenty-five (25) or less hours per week.~~

It is understood and agreed that the Employer shall not replace a filled full-time position with a part-time position except as defined in Article XXI (b) (3). The company reserves the right to evaluate the need for full-time or part-time replacements when a position is vacated. It is the Employer's intent to maintain a fifty percent (50%) full-time to part-time ratio of employees excluding seasonal periods and those employees working twenty-five (25) or less hour per week.

As openings occur, full-time employees **and the top 20% of part-time employees** will be given their choice of workweek by seniority in accordance with Article XXXII 2 (d).

(b) **Guaranteed Minimum Work Week**

EAST ONLY (Replaces first paragraph below): All regular full-time employees shall be guaranteed a minimum week's work of Forty (40) hours (Exclusive of lunch periods). Employees who normally work Sunday as part of their regular work week, through mutual agreement, may work fewer hours on Sunday and be paid for actual hours worked. Employees volunteering to leave early will be paid only for the actual hours worked on that day.

All regular full-time employees shall be guaranteed a minimum week's work of forty (40) hours (exclusive of lunch periods) except that employees who normally work Sunday as part of their regular work week will be guaranteed a minimum week's work of thirty-two (32) hours plus a minimum of six (6) hours guaranteed on Sunday or actual hours worked, whichever is greater. Employees volunteering to leave work early will be paid only for actual hours worked on that day.

All regular part-time employees shall be guaranteed a minimum work week of twenty-five (25) hours in any five (5) days. Whenever possible, it shall be five (5) consecutive days. It is agreed that by mutual written Agreement between the Company, Employee and Union, a part-time employee may be scheduled for twenty-four (24) hours with either three (3) eight (8) hour or four (4) six (6) hour shifts within a work week.

It is understood that there can be a maximum of twenty (20) individuals, exclusive of College Retention employees, at each warehouse who are excluded from the twenty-five (25) hour guarantee. However, they are guaranteed the equivalent of eight (8) hours pay but shall not be required to work more than twenty-five (25) hours of work per week. Notification of the identity of such individuals will be given to the Union. Part-time positions, not contractually required to be posted, shall be offered to limited part-time employees by seniority, prior to hiring from the outside.

When a department undergoes a planned renovation, the Employer will make reasonable efforts to limit any disruption to the affected schedules.

The senior twenty percent (20%) of part-time employees in each department will be offered a regular schedule.

ARTICLE XXI - PROMOTIONS / DEMOTIONS

(a) **Promotions**

1. Part-Time to Full-Time

In the event a part-time employee works forty (40) hours in their own department, or regularly scheduled in the same combination of departments, (or thirty-eight (38) hours including Sunday) or more for eight (8) consecutive weeks, the most senior part-time employee **in the same classification** in the department will be offered a full-time position, and said full-time position shall continue to be offered by seniority until the full-time position is filled. Paid sick/personal leave, vacation and holidays shall be counted as time worked. The employee must work the schedule where the hours were created for ~~six (6)~~ **three (3)** months.

2. Service Assistant to Service Clerk

If a Service Assistant accumulates a total of eight hundred (800) hours worked in the Service Clerk bracket in the prior twenty-six (26) consecutive pay periods, the most senior Service Assistant **with the same status** in the department shall be offered a promotion to Service Clerk and said Service Clerk position shall continue to be offered by seniority until the Service Clerk position is filled.

(b) Demotion

1. Involuntary

Involuntary demotions shall have been preceded by at least one (1) written consultation for poor work performance within the six (6) months period preceding the demotion. The rate of pay will be reduced to the next lowest rate of pay in the lower bracket, but the Employee retains all hours earned towards their next goal raise. Except for the change in pay, this Article also applies to Service Assistants who are being demoted from a posted position. Employees demoted shall not be able to use their seniority to claim shifts, hours or Service Clerk pay for a period of three (3) months.

2. Posted / Voluntary Demotion*

For the Employee who is granted a voluntary demotion or who posts for a Service Assistant position, the new rate of pay will be the next lowest rate of pay in the lower classification, and the employee will retain all hours accumulated toward their next pay increase. An employee who voluntarily gives up a Service Clerk or Service Assistant posting shall be paid Service Clerk rate of pay for all hours they work in the higher classification. They will however be paid Service Assistant rate for all other hours unless they want to return to the Service Clerk job through a job posting. Employees who voluntarily demote themselves from a Service Clerk to a Service Assistant position to move to the front end shall not be able to use their seniority to claim shifts, hours, or Service Clerk pay for a period of three (3) months.

****Local 210 jurisdiction only***

An Employee who is granted a voluntary demotion to change their status from full-time to part-time will be placed on the front end according to company seniority. Such employees may bid new openings as they occur. The vacated full-time position shall be a posted position, unless such position is being eliminated by the company.

3. Full-Time to Part-Time

When the Employer's business is adversely affected by economic conditions beyond their control and thereby affecting the staffing requirement of that location, the Employer may reduce the number of full-time positions to compensate. The reduction shall be by seniority, as found in Article XXVII.

East Coast Locations Only: Should a full-time employee average less than thirty-four (34) hours for either the first (1st) or second (2nd) thirteen (13) pay periods (6 months) their status shall be changed to part-time (Vacations, Holidays, Sick/Personal Leave, Funeral Leave, Jury Duty, absences caused by Workers Compensation injuries and treatment or absences pursuant to the Family Medical Leave Act (FMLA) where documented by a physician's certification will not be considered).

ARTICLE XXIII - WORK SCHEDULE

On the Monday two weeks prior to the scheduled workweek, the schedule will be posted no later than 12:00 pm. Said schedule is normally produced by the computer and includes the employee's name, starting and ending times and days off. **Effective July 4, 2022, the schedule will be posted by department/sub-department seniority.**

The written posted schedule is the controlling document, and other electronic documents are only for the convenience of the employees.

Once the work schedule has been posted for the succeeding week, such schedule shall not be changed except on ~~twenty-four (24)~~ **forty-eight (48)** hours' notice to the employee affected in person or by phone.

ARTICLE XXVI – MISCELLANEOUS

(f) Post-Accident Testing

When, after investigation by Management at the scene, an employee's performance cannot be conclusively discounted as a contributing factor for a serious forklift accident (**exceeding \$3,000.00 in property damage**) or an accident which causes injury or damage to individuals, property or equipment, the employee ~~will~~ **may** be required to submit to drug and alcohol screening test.

Article XXVII – TEMPORARY LAYOFF, ROLLBACKS, AND JOB DISCONTINUANCE

(b) Reductions and Job Discontinuance

If the employee is bumping into a position that requires minimum testing performance, or prior job knowledge (i.e. Administration including Inventory Auditor, Maintenance II, Bakery or Meat Cutter, ~~Hearing Aid Assistant~~), the employee shall be required to meet those standards.

ARTICLE XXVIII – SEASONAL

All Tire Centers shall have a Seasonal Period from May 1 through ~~the first Monday in~~ September **15** of each year.

ARTICLE XXIX - LEAVES OF ABSENCE

(a) Pregnancy

~~Pregnancy shall be handled as follows. The employee must provide her Manager with written medical substantiation from her Physician of the expected date of delivery and the length of time the employee will be able to perform her normal duties. The term of the Maternity Leave will extend from the date the employee's doctor advises or the date she leaves her job, up to a date one (1) month after release by doctor. Paternity Leave will be granted within the parameters of the California Family Leave Act.~~

For pregnancy and associated leaves the employee must provide her manager with written medical substantiation from her physician. Leave (bonding) will be granted within the parameters of the applicable State leave act and Company policy.

ARTICLE XXXII- SENIORITY

2) APPLICATION OF SENIORITY

(a) Transfers Between Any Costco Warehouse in the United States

Employees transferring from any Costco Warehouse represented or non-represented or stepping down from Management (either voluntary or involuntary) shall carry their Company seniority at the time of transfer or reentry into the Bargaining Unit. The affected employee will be placed on the Front End according to their Company seniority (unless filling a position no one bids for) and after six (6) months (**or three (3) months for East only**) at the new location will be eligible for any posting based on their Company seniority. Employees transferring from a Union warehouse to

another Union warehouse shall be immediately eligible for any posting based on their Company seniority. Employees transferring to any Costco Warehouse will have thirty (30) days to return to their original warehouse.

(e) Bidding for Job Openings

Employees applying for the position must agree to meet all requirements, including availability, for a minimum of ~~six (6)~~ **three (3) months**, and agree to be in the position for a minimum of ~~six (6)~~ **three (3) months**. If the employee that receives the job bid returns to their old job within sixty (60) days, the Company may then award the bid to the next senior person qualified on the original bid sheet without the necessity of re-bidding the same job. ~~However, part-time employees will be allowed to bid full-time positions within the six (6) month period.~~ The ~~six (6)~~ **three (3)** month restriction shall not apply where changes of hours or scheduling within the department occur, or the ability to move from part-time to full-time and/or Service Assistant to Service Clerk.

~~Postings will be specific and include the hours the employee must be available to work.~~ **shall include days off, designation of opening/mid/closing shift, and an example of the shift. If the posting is not specific then the employee can exercise their seniority rights to obtain an earlier start time after thirty (30) days in the position.**

The Employer shall send a copy to the Local Union of all job postings within two (2) weeks of posting date, which shall include the names of all employees signing the posting ~~including the successful bidder.~~ **The Employer shall notify the Union of the awarded posting as well as verbally notify the successful bidder within seven (7) calendar days.**

APPENDIX "C" DELIVERY/ BUSINESS CENTER PROGRAM

Business Delivery

(d) Bidding- When for any reason an employee transfers into Business Delivery as a Delivery Driver, said employee will maintain seniority for all purposes except for route bidding purposes for which their transfer in-date will be the effective date for route bidding.

(Delete entire "Anti-Harassment Policy, Discrimination Policy and Reporting Procedures" and replace with the below language).

ANTI-HARASSMENT POLICY

All verbal, physical, and visual forms of harassment for employees, applicants, independent contractors, members, guests, and suppliers is prohibited. All forms of harassment based upon race, color, national origin, ancestry, sex (including pregnancy, childbirth, breastfeeding, and any related medical conditions), gender, sex stereotyping, sexual orientation, gender expression, gender identity, transgender status, religion, age, hairstyles or hair texture commonly or historically associated with race, mental or physical disability, medical condition, work-related injury, covered military or veteran status, political ideology or expression, genetic information, marital status, citizenship status, the protected status of anyone with whom the individual associates, or any other protected status is prohibited.

Epithets, slurs, negative stereotyping or threatening, intimidating, or hostile acts that relate to any of the above-mentioned protected groups are prohibited. Written or graphic material displayed or circulated in the our workplace that denigrates or shows hostility or aversion toward any of the above-mentioned protected groups are prohibited

Sexual harassment is prohibited.

Sexual harassment is unlawful sex discrimination under federal, state, and local law. Sexual harassment on the basis of self-identified or perceived sex, sexual orientation, gender expression, gender identity, and transgender status is prohibited. Sexual harassment includes unwelcome conduct that is of a sexual nature, or that is directed at an individual because of that individual's sex, when the conduct has the purpose or effect of unreasonably interfering with work performance or creating an intimidating, hostile, or offensive work environment, even for one who is not the intended target of harassment. Sexual harassment also occurs when the unwelcome conduct is made either explicitly or implicitly a term or condition of employment, or submission to or rejection of the conduct is used for an employment decision. Sexual harassment can occur between any individuals, regardless of their sex, gender, or sexual orientation.

The Parties agree that this policy also prohibits sexual favoritism. Sexual favoritism occurs whenever an employment decision is based upon an employee's receptiveness to sexual advances.

Sexual harassment is not limited to the physical workplace. Sexual harassment while traveling for business or at Costco events is prohibited. Calls, texts, emails, and social media usage can be workplace harassment even if they occur away from the workplace, on personal devices, or during non-work hours.

REPORTING HARASSMENT, DISCRIMINATION, OR RETALIATION

If an employee believes they are being subjected to harassment, discrimination, or retaliation, or becomes aware of such conduct being directed at someone else or if an employee believes another person has received more favorable treatment because of discrimination or sexual favoritism, such incidents should be reported to a Manager or above as outlined in the Open Door Policy or via the Ethicspoint site, found at www.costco.ethicspoint.com. This applies to harassment, discrimination, or retaliation caused by anyone with whom an employee may come into contact as part of their job: Managers, Supervisors, co-workers, members, independent contractors, suppliers, or others.

All reported incidents will be investigated in the manner determined most appropriate based on the circumstances.

Employees can also make a report in writing and provide documentation by mail to Confidential Submission, General Counsel, Costco Wholesale Corp., 999 Lake Drive, Issaquah, WA 98027. Our Code of Ethics requires that we obey the law, and the Company encourages the good faith reporting of unlawful or unethical activity.

ANTI-RETALIATION POLICY

Retaliation against those who use the Open Door or who otherwise report violations of Costco's policies or laws is prohibited.

Retaliation includes any action that would discourage an employee from reporting violations of Costco policy, using the Open Door Policy, or participating in an investigation.

If an employee believes that they or another person has been the subject of retaliation, they may report the matter to a Manager or above through the Open Door policy or through Ethicspoint.

Any employee found to have violated this anti-retaliation policy is subject to corrective action up to and including immediate termination of employment. Corrective action will depend on the severity of the offense.

(Delete “DRESS STANDARDS” in CBA and replace with:)

Personal appearance Standards

Employees must ensure that their appearance is neat, clean, and professional and must practice good grooming and personal hygiene habits.

Costco permits employees reasonable self expression through personal appearance, which includes hair color, moderate piercings and jewelry in permitted departments, and visible tattoos. Costco will allow visible tattoos, piercings and jewelry unless they contain images or words that are obscene, profane, racist, sexual, depict violence or are otherwise objectionable.

All attire and accessories worn in the workplace must be free of any advocacy messaging. Advocacy messaging is defined as supporting or recommending a particular cause, public policy, or political party. Accessories include, but are not limited to, stickers, buttons, pins, lanyards, belt buckles, face coverings, hats, scarves, jewelry.

The following categories of workplace attire will continue to be permitted:

- 1) Company-issued or otherwise approved Costco Wholesale writing or logos;**
- 2) Writing or logos related to Company-approved charitable initiatives;**
- 3) Sports team or collegiate apparel;**
- 4) Other Company-approved special attire events;**
- 5) Sports wear or fashion brand logos.**
- 6) Union Apparel**

For safety reasons employees are prohibited from wearing open-toe or open-heel shoes or sandals in warehouses. Employees will be required to wear composite/steel toe work shoes and/or slip-resistant shoes as directed.

Name badges must be clean, accurate, and easy to read, with only Company-approved attachments.

Note: If employees have specific questions regarding appropriate attire, they must ask their Location Manager in advance. Inappropriately dressed employees are considered unsuitable to commence work and will be sent home. Employees may be asked to return to work later the same day in attire conforming to Company standards. Employees required to leave due to inappropriate attire will not be compensated for any lost time. Employees may also be disciplined if they arrive for work inappropriately dressed.

COMPANY RULES AND REGULATIONS

MINOR OFFENSES

20. Failure to begin your meal period no later than the end of the 5th hour of work. Three (3) separate failures in a 30-day period is considered excessive.

21. No Call. Except in emergencies, failure to call out within two hours after the start of the scheduled shift.

22. No show. Failure to report for a scheduled shift within two hours of the start of the scheduled shift.

23. Failure to call out at least one hour prior to the start of the scheduled shift, or at the start of the shift if this is the first (1st) shift of the day.

MAJOR OFFENSES

~~22. No Call/No Show-Failure to report or call in within two hours of the start of a shift~~

LETTER OF UNDERSTANDING – Combo Classification

Effective February 1, 2022, It will be recognized that the “Combo” is not a contractual posting/position, and will no longer be utilized for scheduling or posting provisions. All current “Combo” positions shall be reassigned to a specific home department, and the employee will be eligible to utilize their seniority under all provisions of the CBA.

LETTER OF UNDERSTANDING – Temporary Managers

The Company may utilize union members, on a temporary basis, to perform work as a temporary manager. The union member must replace a specific identified manager who is out on a leave of absence and will not be able to perform bargaining unit work (unless allowed in the Agreement e.g., Bakery Manager, Center Manager). The Temporary Manager will remain an active union member, work in their home warehouse, and not have the ability to hire/fire/issue discipline.

Management will notify both the Local Union and Labor Relations in writing of who is affected, who and what position is being replaced, and the start and anticipated end date.

The parties shall meet no later than 90 days from the execution of this LOU to discuss the duration and number of managers over an agreed-upon duration of time.

LETTER OF UNDERSTANDING - Lot Security Premium

This letter shall serve to confirm the understanding reached by the undersigned parties regarding the establishment of a \$1.50 per hour premium for employees who use their personal vehicle while monitoring the lot. Employees will need to job transfer at the time clock to "Lot Security" before performing lot security work.

LETTER OF UNDERSTANDING - CAMERAS

The Company may utilize camera surveillance for security, safety and investigations. The Union may notify employees through a posting on the Union Bulletin Board under the provisions of Article XXVI (b), Bulletin Boards.

Letter of Understanding

~~Costco Business Delivery, Hayward and South San Francisco~~

~~It is the intent of the parties to codify the understandings and agreements concerning the drivers who currently work at the Hayward Business Delivery facility and the drivers who will be working at the South San Francisco Business Delivery (SSF) facility, scheduled to open in Fall 2017.~~

~~This letter shall serve to memorialize those understandings.~~

~~The drivers for SSF will be covered by the Collective Bargaining Agreement and Letters of Understanding that are currently in place for the Hayward facility. All terms and conditions of the CBA and LOU's shall apply to SSF drivers. This understanding will not cover any other employees at SSF.~~

~~The initial driver positions at SSF will be offered to drivers at the Hayward facility on a seniority basis, meaning that drivers who wish to transfer to the SSF facility will be allowed to move and will maintain their seniority for all purposes on the SSF seniority list 111 addition to Hayward drivers who voluntarily transfer to SSF, any additional drivers may be involuntarily assigned to SSF by Inverse seniority.~~

~~Any Hayward driver who is involuntarily assigned will be offered, by seniority, the alternative option to select a 1st, 2nd, and 3rd choice of available non-driver positions at either the Hayward Business Center, or at a predetermined number of available positions at warehouses in the geographic area. If a driver's 1st choice is not available due to being filled by more senior drivers, he will be offered his next available choice, and so on. Drivers must have the requisite seniority in order to "bump" into any non-driver positions at the Hayward Business Center as described under Article XXVII Temporary Layoff, Rollbacks & Job Discontinuance, (b). Drivers awarded positions outside the Hayward facility will be transferred to those locations and be placed on the Front End and be merged in based on their seniority.~~

~~Any reduction of non-driver positions at Hayward will be handled in the same manner outlined above.~~

~~In the time leading up to their transfer, Hayward drivers will also be eligible to compete for any open posted positions utilizing their full seniority at any non-union location. Drivers selecting positions at union locations will be governed by existing transfer provisions outlined under Article XXXII-Seniority, Section 2), (a). (Placed on the Front End and merged in based on their seniority, and immediately be eligible for postings.)~~

~~Drivers who are awarded non-driver positions will assume the pay scale and classification of that new position, and their pay will be reduced to the next lowest rate on the corresponding pay scale.~~

~~SSF will have a separate seniority list from Hayward, and new hires hired at either SSF or Hayward from the opening point forward will be placed on their respective seniority lists.~~

~~On an as-needed basis, Hayward and SSF drivers may be shifted from one facility to another on the basis of seniority, or if possible, drivers can volunteer to work at the other facility if it is in need of drivers.~~

~~Other non-driver SSF employees, such as stockers and order pickers, may be utilized as drivers on an as-needed basis. In the event that a SSF employee works a total of 800 hours in the capacity of a fill-in driver in the prior twenty-six consecutive pay periods, the most senior SSF employee that works in this same fill-in driver capacity, shall be promoted to a driver, and will become part of the existing bargaining unit.~~

~~Should a driver be demoted, either involuntarily or voluntarily, they will have the option of demoting into the bargaining unit at the Hayward facility under Article XX Promotions & Demotions, of the existing collective bargaining agreement, or be considered for a transfer into, the non-represented portion of the SSF facility under the provisions of the Employee Agreement.~~

~~Bidding of routes shall be limited to each facility independently and will not be cross-bid between facilities. The employer shall have the right to move routes and decide which facility will service which geographical areas.~~

~~Any further operational issues that have not been covered shall be worked out by the parties and incorporated into this letter of understanding.~~

LETTER OF UNDERSTANDING

~~Elimination of Article XXI, (b) California Contract, (c) East Coast Contract.~~

~~The Company and the Union have endeavored to correct discrepancies in pay for employees who are receiving pay that may be out of compliance with those rates listed in Appendix "A" of the Agreement. In order to standardize and adjust pay rates to be in compliance with Appendix "A", the Company will notify the member and the Union of the pay discrepancy. For a period of no less than sixty (60) days, the Company will work with the employee to place said employee in a position commensurate with the rate of pay the employee was receiving at the time of the notification. During this period of time the employee will maintain the rate of pay that was in place at the time of notification. If after sixty (60) days the employee cannot be placed into a position commensurate with their pay rate, the employee may exercise their rights under Article XXVII, (b). If the employee declines to exercise said rights, the employee will be reduced to the appropriate rate as a Service Assistant. Employees declining Service Clerk work will be paid at the lower classification.~~

~~Employees who have earned their Clerk classification through Article XXI, (b) California Contract, or (c) East Coast Contract (Promotions to Service Clerk), and are still in a Service Assistant position, are grandfathered with Service Clerk classification pay rate unless they should bid into another job that has a lower rate of pay. Additionally, employees who were in a Service Clerk position and moved by the Company and allowed to keep their Service Clerk status are grandfathered and shall maintain the Service Clerk rate of pay unless posting into a different position within a different classification.~~

LETTER OF UNDERSTANDING - ATTENDANCE POLICY

Conversion to New Attendance Policy

The parties agree that the current attendance policy will be modified to the proposed Attendance Policy on January 1, 2023. At that time all current instances of absenteeism, and any discipline that may be associated with them, will be removed from the employee's file. Employees will start with zero instances of absenteeism on this same date.

The Employer agrees during the term of this agreement that should it grant more favorable economic terms to its non-bargaining unit employees then such more favorable economic terms shall be offered to the union at the same time and in the same quantity as were granted to the non-bargaining unit employees. Any dispute over the meaning of this provision including, but not limited to, whether the non-bargaining unit increase was more favorable than the economic terms in effect for the bargaining unit employees shall be resolved by the grievance and arbitration procedures as provided for in this collective bargaining agreement.

Economics: Pension & Wage Increases

Pension contribution increases over the life of the Agreement

\$.40/\$.15/\$.15 (2022/2023/2024).

Pension increases shall be retroactive to February 1, 2022

The first year pension increase reflects the Teamster's request, and Costco's agreement, to end Costco's 401k match program (moving from up to \$250 per year to zero per year) for hourly employees working in union locations.

ARTICLE XXXI—PENSION

~~The Employer agrees to continue to be a party to the Western Conference of Teamsters Pension Trust Fund for employees.~~

~~Effective the first (1st) payroll period after February 1, 2019, (Monday February 4, 2019) the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be one dollar and thirty-one cents (\$1.31). This will provide a basic contribution of one dollar and twenty-three cents (\$1.23) and eight cents (\$.08) to maintain the PEER/84.~~

~~Effective the first (1st) payroll period after February 1, 2020, (Monday February 3, 2020) the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be one dollar and thirty-six cents (\$1.36). This will provide a basic contribution of one dollar and twenty-eight cents (\$1.28) and eight cents (\$.08) to maintain the PEER/84.~~

~~Effective the first (1st) payroll period after February 1, 2021, (Monday February 1, 2021) the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be one dollar and forty one cents (\$1.41). This will provide a basic contribution of one dollar and thirty two cents (\$1.32) and nine cents (\$.09) to maintain the PEER/84.~~

~~For Probationary employees, the Employer shall pay an hourly contribution of ten cents (\$0.10) (including PEER/84) during the probationary period as defined in Article XXXII (e), but in no case for a period longer than ninety (90) calendar days from the employees first date of hire. Contributions will be made on the same basis as set forth above. After the expiration of the probationary period as defined in Article XXXII (e), but in no event longer than ninety (90) calendar days from the employees first date of hire, the contribution shall be increased to the full contractual rate.~~

ARTICLE XXXI – PENSION

The Employer agrees to continue to be a party to the Western Conference of Teamsters Pension Trust Fund for employees.

Effective the first (1st) payroll period after **February 1, 2022, (Monday February 14, 2022)** the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be one dollar and **eighty-one cents (\$1.81)**. This will provide a basic contribution of one dollar and **sixty-nine cents (\$1.69)** and **twelve cents (\$.12)** to maintain the PEER/84.

Effective the first (1st) payroll period after February 1, **2023 (Monday February x, 2023)** the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be one dollar and **ninety-six cents (\$1.96)**. This will provide a basic contribution of one dollar and **eighty-three cents (\$1.83)** and **thirteen cents (\$.13)** to maintain the PEER/84.

Effective the first (1st) payroll period after February 1, **2024, (Monday February x, 2024)** the Employer will pay on behalf of employees for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays. The hourly contribution will be **two dollars and eleven cents (\$2.11)**. This will provide a basic contribution of one dollar and **ninety-seven cents**

(\$1.97) and fourteen cents (\$.14) to maintain the PEER/84.

For Probationary employees, the Employer shall pay an hourly contribution of ten cents (\$0.10) (including PEER/84) during the probationary period as defined in Article XXXII (e), but in no case for a period longer than ninety (90) calendar days from the employees first date of hire. Contributions will be made on the same basis as set forth above. After the expiration of the probationary period as defined in Article XXXII (e), but in no event longer than ninety (90) calendar days from the employees first date of hire, the contribution shall be increased to the full contractual rate.

The contribution to provide for PEER/84 will not be taken into consideration for benefit accrual purposes under the Pension Plan. The additional contribution for the PEER/84 must, at all times, be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month. Failure to make all payments herein provided for within the time specified shall be a breach of this Agreement.

The Employer retains the exclusive right to modify, amend, cancel or terminate any presently existing Employer-sponsored employee benefit plan, including any pension plan, employee retirement or profit-sharing plan.

It is understood that this provision for a Pension Plan is being entered into upon the condition that all payments made by the Employer hereunder shall be deductible as business expenses under the Internal Revenue Code as it presently exists, or as it may be amended subsequent to the date of this Agreement, and under any similar applicable state revenue or tax laws.

Questions regarding Teamster Pension issues should be directed to:

Northern California: Administrative Office Western Conference of Teamster Pension Trust Fund 1000 Marina Boulevard, Suite 400 Brisbane, California 94005 (650) 570-7300	Southern California: Administrative Office Western Conference of Teamster Pension Trust Fund 225 South Lake Street Suite 1200 Pasadena, California 911101-3000 (626) 463-6100
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Wages

All steps below Top of Scale: \$.50

Retroactive to the first full pay period after 02.01.2022 as set forth in the Letter of Understanding on page 28 below.

Appendix "B-1" Wages (Non-Top of Scale Steps)

Service Assistants		Service Clerks		Meat Cutters		Truck Driver *	
Hours	Rate	Hours	Rate	Hours	Rate	Hours	Rate
First 1040	\$17.50	First 1040	\$18.50	First 800	\$19.00	First 1040	\$21.50
Next 1040	\$18.50	Next 1040	\$19.50	Next 800	\$20.00	Next 1040	\$22.50
Next 1040	\$19.50	Next 1040	\$20.50	Next 1040	\$21.00	Next 1040	\$23.50
Next 1040	\$20.50	Next 1040	\$21.50	Next 1040	\$22.50	Next 1040	\$24.50
Next 1040	\$21.50	Next 1040	\$22.50	Next 1040	\$23.50	Next 1040	\$25.50
Next 1040	\$22.50	Next 1040	\$23.50	Next 1040	\$24.50	Next 1040	\$26.50
Next 1040	\$23.50	Next 1040	\$24.50	Next 1040	\$25.50	Next 1040	\$27.50
Next 1040	\$24.50	Next 1040	\$26.00	Next 1040	\$26.50	Next 1040	\$29.00

Service Assistants

Effective the first full pay period after 2/1/2022 all Service Assistants who are on non-Top of Scale steps will have their current hourly rate increased by \$.50 and move to the corresponding step on the above scale. Their goal hours will not be reset.

Service Clerks

Effective the first full pay period after 2/1/2022 all Service Clerks who are on non-Top of Scale steps will have their current hourly rate increased by \$.50 and move to the corresponding step on the above scale. Their goal hours will not be reset.

Meat Cutters

Effective the first full pay period after 2/1/2022 all Meat Cutters who are on non-Top of Scale steps will have their current hourly rate increased by \$.50 and move to the corresponding step on the above scale. Their goal hours will not be reset.

Truck Drivers

Effective the first full pay period after 2/1/2022 all Business Center Truck Drivers who are on non-Top of Scale steps will have their current hourly rate increased by \$.50, and receive a \$1.50 Truck Driver premium and move to the corresponding step on the above scale. Their goal hours will not be reset.

*Previous Truck Driver premium is included in the scale.

Top Of Scale Increases over life of Agreement

Assistants-\$.83-Retroactive to the first full pay period after 2/1/2022

Clerks-\$.93-Retroactive to the first full pay period after 2/1/2022

Meat Cutters-\$.13-Retroactive to the first full pay period after 2/1/2022

All-\$.50-Retroactive to the first full pay period after 7/1/22

All-\$.60-The first full pay period after 2/1/2023

All-\$.60-The first full pay period after 2/1/2024

Appendix “B-2” Wages (Top of Scale)

Effective the first full pay period after below dates:	Service Assistants	Service Clerks	Meat Cutters	Truck Driver *
	Top of Scale	Top of Scale	Top of Scale	Top of Scale
2/1/22	\$26.25	\$27.95	\$29.45	\$30.95
7/1/22	\$26.75	\$28.45	\$29.95	\$31.45
2/1/23	\$27.35	\$29.05	\$30.55	\$32.05
2/1/24	\$27.95	\$29.65	\$31.15	\$32.65

***Truck Driver rates include a total premium of \$3.00**

Service Assistants

Effective the first full pay period after 2/1/2022 Service Assistants at Top of Scale will move from \$25.42 to \$26.25

Effective the first full pay period after 7/1/2022 Service Assistants at Top of Scale will move from \$26.25 to \$26.75

Effective the first full pay period after 2/1/2023 Service Assistants at Top of Scale will move from \$26.75 to \$27.35

Effective the first full pay period after 2/1/2024 Service Assistants at Top of Scale will move from \$27.35 to \$27.95

Service Clerks

Effective the first full pay period after 2/1/2022 Service Clerks at Top of Scale will move from \$27.02 to \$27.95

Effective the first full pay period after 7/1/2022 Service Clerks at Top of Scale will move from \$27.95 to \$28.45

Effective the first full pay period after 2/1/2023 Service Clerks at Top of Scale will move from \$28.45 to \$29.05

Effective the first full pay period after 2/1/2024 Service Clerks at Top of Scale will move from \$29.05 to \$29.65

Meat Cutters

Effective the first full pay period after 2/1/2022 Meat Cutters at Top of Scale will move from \$28.32 to \$29.45

Effective the first full pay period after 7/1/2022 Meat Cutters at Top of Scale will move from \$29.45 to \$29.95

Effective the first full pay period after 2/1/2023 Meat Cutters at Top of Scale will move from \$29.95 to \$30.55

Effective the first full pay period after 2/1/2024 Meat Cutters at Top of Scale will move from \$30.55 to \$31.15

Business Center Truck Drivers

*Top of Scale Drivers will also receive an additional \$1.50 Truck Driver Premium to their Top of Scale wage.

Effective the first full pay period after 2/1/2022 Truck Drivers at Top of Scale will move from \$28.52 to \$ 30.95

Effective the first full pay period after 7/1/2022 Truck Drivers at Top of Scale will move from \$30.95 to \$31.45

Effective the first full pay period after 2/1/2023 Truck Drivers at Top of Scale will move from \$31.45 to \$32.05

Effective the first full pay period after 2/1/2024 Truck Drivers at Top of Scale will move from \$32.05 to \$32.65

Appendix “D” Premiums

Forklift/EPJ Premium

Employees will receive a \$1.00 per hour premium in addition to their normal rate of pay for all time spent operating a forklift or EPJ.

Forklift/EPJ Premium shall be retroactive to February 1, 2022

Pharmacy Technician Premium

Pharmacy employees will receive a \$2.00 per hour premium in addition to their normal rate of pay.

Pharmacy Technician Premium Premium shall be retroactive to February 1, 2022

Appendix “B” Extra Checks 2019/2020/2021

Service Assistants

0-9 Years		10-14 Years		15-19 Years		20+ Years	
April	October	April	October	April	October	April	October
\$2,150	\$2,150	\$2,450	\$2,450	\$3,000	\$3,000	\$3,400	\$3,400

Service Clerks/Meat Cutters/Drivers

0-9 Years		10-14 Years		15-19 Years		20+ Years	
April	October	April	October	April	October	April	October
\$2,200	\$2,200	\$2,650	\$2,650	\$3,250	\$3,250	\$3,650	\$3,650

Appendix “B” Extra Checks 2022/2023/2024

Extra Check increases begin with the October 2022 check

Service Assistants

0-9 Years		10-14 Years		15-19 Years		20-24 Years		25+ Years	
April	October	April	October	April	October	April	October	April	October
\$2,400	\$2,400	\$2,700	\$2,700	\$3,250	3,250	\$3,900	\$3,900	\$4,400	\$4,400

Service Clerks/Meat Cutters/Drivers

0-9 Years		10-14 Years		15-19 Years		20-24 Years		25+ Years	
April	October	April	October	April	October	April	October	April	October
\$2,450	\$2,450	\$2,900	\$2,900	\$3,500	\$3,500	\$4,150	\$4,150	\$4,650	\$4,650

EXTENSION AGREEMENT

This Extension Agreement is entered into this 28th day of January 2022 by and among Costco Wholesale (the "Employer") and Teamsters Locals 150, 166, 210, 542, 570, 572, 592, 853, and 986 (the "Union") with respect to the Costco Wholesale Labor Agreements, (including any Letters of Understanding or addenda) effective February 1, 2019 through January 31, 2022 (the "Agreements").

RECITALS

Whereas, the Employer and the Union have commenced bargaining in connection with a successor Agreements to the Agreements, and

Whereas, the Agreements' expire at the conclusion of January 31, 2022 and

Whereas, The Employer and the Union have determined that it is in the best interest of all concerned to temporarily extend the duration of the Agreement to allow additional time for effective bargaining and to allow sufficient time to conduct a ratification vote,

Now therefore, in consideration of the forgoing, the Employer and the Union have agreed to extend the term of the Agreements. It is understood that either party may cancel the extension with a 48 hour advance written notification to the other party.

The Employer and Union further agree that any wage or benefit increases contained in the new Agreement shall be retroactive to the first full pay period starting February 1, 2022.

FOR THE EMPLOYER:



Date 1.28.22

FOR THE UNION:



Date 1/28/22