

SUMNER DEPOT DRIVERS

by and between

TEAMSTERS LOCAL 174

and

COSTCO WHOLESALE CORPORATION

September 2, 2024 – January 31, 2025

MEMBER SERVICE

The Employer's policy and commitment is to provide outstanding and courteous service. All Employees, Union and Management, must remember the importance of providing this service. The Union and Employer jointly agree that this level of service must be maintained through the efforts of all Employees.

COSTCO WHOLESALE DEPOT DRIVERS - TEAMSTERS AGREEMENT

THIS AGREEMENT entered into this September 2, 2024, by and between COSTCO WHOLESALE CORPORATION, hereinafter referred to as the "Employer" or "Company" and TEAMSTERS LOCAL 174 chartered by the International Brotherhood of Teamsters, hereinafter referred to as the "Union".

WITNESSETH

That the Employer and the Union acting by their duly authorized agents agree as follows:

ARTICLE I – RECOGNITION

The Company will recognize Teamsters Union Local 174 as the sole Collective Bargaining Agent for all full-time and regular part-time tractor/trailer delivery drivers employed by the Employer and working at or out of its' Sumner, Washington facility; excluding all other employees, office clerical employees, managers, and guards and supervisors as defined in the Act.

ARTICLE II - UNION MEMBERSHIP

(a) Membership Requirements

The Employer agrees, as a condition of employment; that all employees eligible shall become members of the Union within thirty-one (31) calendar days after the execution of this Agreement or within thirty-one (31) calendar days after their hire, as the case may be. All employees who become members of the Union shall remain members of the Union during the term of this Agreement; provided, however, that in the event any State or Federal statutes or regulations shall require an election or other procedure as a condition precedent to its enforcement, then in that case this paragraph shall not become effective until such procedure or election has been complied with.

(b) Written Notice Requirement

The Union agrees that notice shall be given in writing to the Employer and employee at least seven (7) calendar days before any regular employee is to be removed from their employment by reason of their failure to maintain their membership in good standing in the Union.

(c) Union Registration Forms

The Employer shall provide a notice to the Union of all hires and/or employees who are transferred from outside of the bargaining unit, within seven (7) calendar days of the date of employment or transfer; and said notice shall contain the name, social security number, address, classification, wage rate, location and the date of transfer or commencement of work. The Union shall provide forms for this purpose.

(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 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 administering the bi-weekly payroll deduction plan.

It is agreed by the Parties that employees' voluntarily contributing to D.R.I.V.E. shall maintain such deduction for a minimum period of twenty-six (26) pay periods and thereafter may notify the Company and Union in writing of the date of cancellation of said deduction after said twenty-six (26) pay periods.

(e) Indemnification

The Union hereby indemnifies and defends the Employer and holds it harmless against any and all suits, claims, demands and liabilities that may arise out of, or by reason of, any action that shall be taken by the Employer for the purpose of complying with the foregoing provisions of this Article, or in reliance on any list or certificate which shall have been furnished to the Employer under any of such provisions.

(f) Bargaining Unit Work

a. The Employer agrees that work now performed by members of the bargaining unit will continue to be performed by bargaining unit employees.

b. (1) The Employer agrees that the function of supervisors is the supervision of employees and not the performance of the work of the employees they supervise.

(2) Accordingly, the parties agree that supervisors will not perform the work of the employees they supervise except during training, demonstration, safety education, or in the event of an emergency. Supervisors may perform bargaining unit work only after all bargaining unit employees have been put to work or have been offered the work and supervisors will not perform Union members work until all reasonable efforts have been exhausted to have the work covered by Union employees of Costco. In such case the work shall be de minimis in nature. This shall not apply in the event of extraordinary unscheduled absences beyond the Employers control with timely notice to the Union. The Employer shall make every reasonable effort to maintain a sufficient workforce to staff its operations with bargaining unit employees.

(3) The Employer retains the right to use outside carriers for runs that cannot be performed by the bargaining unit as historically applied.

(4) The parties recognize the principles of straight time before overtime and overtime before double-time.

(g) No Discrimination

The Employer and the Union will not discriminate against any person with regard to employment or Union membership because of their race, religion, color, sex, age, national origin, qualified handicap, veteran status or ancestry, gender, gender identity, or sexual orientation and hereby declare their acceptance and support of existing laws. This shall apply to hiring, placement, and training during employment, rates of pay or other forms of compensation, layoff or termination and application for admission to Union membership. The Parties agree that the Contract will be subject to all applicable federal, state and local laws and regulations.

(h) New Hire Orientation Meetings

The Fleet Manager, or designee, will notify the Local Union of new hire orientation meetings. The Union, through a Shop Steward, shall have up to fifteen (15) minutes before the conclusion of the Employer's on site new hire orientation program to meet with new Union represented employee(s) for the purposes of filling out Union paperwork and orienting the employee to Union membership.

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. Teamsters Local 174 shall decide the initiation fee and dues structures for the lifetime of this Agreement.

(b) Monthly Deductions

Such deductions shall be made by the Employer from wages of employees for their first (1st) pay period in the calendar month for the coming month and will be transmitted to the Union no later than the twentieth (20th) of the month after such deductions are made, unless such deductions are unable to be made because of equipment breakdown or acts of God.

(c) Employee Authorization

No deductions will be made from the wages of any employee until the Employer has received a signed copy of the voluntary written authorization for such deductions.

(d) Union Indemnification

The Union hereby indemnifies and defends the Employer and holds it harmless against any and all suits, claims, demands and liabilities that may arise out of, or by reason of, any action that shall be taken by the Employer for the purpose of complying with the foregoing provisions of this Article, or in reliance on any list or certificate which shall have been furnished to the Employer under any of such provisions.

ARTICLE IV – DISCIPLINE & DISCHARGE

(a) Right to Discharge

It is mutually agreed that the Employer reserves the right to discharge any employee for just cause. Just 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 via fax or mail. A courtesy copy will be emailed to the Business Agent.

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 as described in Article XI.

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.

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.

(b) 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 V - NO REDUCTION

The Employer agrees that no Union member employee who prior to the date of the signing of this Agreement was receiving more than the hourly pay rate designated in the Agreement for the class of work in which they were engaged, shall suffer a reduction in the hourly wage rate through the operation of or because of adoption of this Agreement.

Any employee receiving a higher rate of pay or conditions in excess of this Agreement will suffer no loss in monetary increases or conditions through the signing of this Agreement. The increases for such employees will be the same percentage increase as that received by the top bracket of employees of the same classification.

ARTICLE VI - SETTLEMENT OF DISPUTES

(a) Exclusive Remedy

The grievance procedure provided herein shall be the exclusive means, except as limited by law, for the disposition of all grievances; and there shall be no strike, lockout, picketing or cessation of work during the term of this Agreement, except that this limitation shall not be binding upon either party hereto if the other party refuses or fails to abide by an arbitration award which has become final, unless such award exceeds the limitations outlined in this Agreement.

(b) Definitions

The term "grievance" shall mean any dispute or difference between the Employer and the Union concerning the application or interpretation of any provision of this Agreement.

(c) Bench Decision

If the nature of the discipline is such that no question of contract interpretation is involved, the Arbitrator so selected may be instructed by mutual Agreement of the Parties to hear evidence without transcript or the filing of briefs and to issue their decision from the bench, with an opinion, if requested by either party, to be subsequently prepared. It is recognized that certain cases involving questions of contract interpretation may require a transcript, briefs, and the preparation of written awards and opinion. Either party may choose this bench decision procedure, except that mutual Agreement of the Parties is required for this procedure to apply.

(d) Procedure

It is understood that the application of the grievance procedure does not permit the Union to impede or stop any employee from working or to interfere with any employee's work, without first having obtained the specific approval of the Supervisor or Manager who supervises the employee(s) involved. All grievances shall be handled in the following manner:

Step 1:

(a) All grievances, except for wage claims or discharge, shall be raised within fourteen (14) calendar days of their occurrence.

(b) Discharge grievances must be raised within seven (7) calendar days of receipt of notice by the Union or the employee, reduced to writing in the manner outlined herein, and submitted directly to Step 2.

(c) In the case of a grievance for an alleged discrepancy in wages, holiday pay, paid sick/ personal leave or vacation pay, for hours actually worked, guaranteed or benefits accrued, after the discovery thereof, any monetary adjustment or award shall not be retroactive for more than ninety (90) calendar days from the date of the filing of the grievance in writing. The matter should first be taken up orally between the Supervisor and the aggrieved employee.

(d) If the grievance cannot be settled by the immediate Manager the employee shall then attempt to settle the problem with the Warehouse Manager utilizing the Union Steward, if desired. If the matter is still not settled, the employee should request the Union to assist them and proceed with the grievance procedure.

If the matter is not satisfactorily adjusted in Step 1, then it is to be reduced to writing, specifying the nature of the grievance, the provisions of the contract relied upon, the identity of the individuals involved, if any, and the relief requested.

Step 2:

(a) The written grievance shall then be submitted by the Union's Business Representative to Location Management within seven (7) calendar days after being raised in Step 1 for the purpose of resolving the dispute. If the written grievance is not settled between the Parties, the Location Manager shall notify the Union, in writing, of the Company's position not later than seven (7) calendar days after the Parties have met to discuss said grievance.

(b) In the event the Parties are unable to resolve the grievance, then the matter may be reviewed by the Secretary-Treasurer of the Union or said designee and the Corporate Labor Relations Representative of the Employer or their designated Representatives within fifteen (15) calendar days after the receipt of the Employer answer.

(c) In the event that a satisfactory settlement is not reached within thirty-one (31) calendar days after being raised in Step 2: (a) either party may request, in writing, that the grievance be referred to a Grievance Panel comprised of two (2) persons designated by the Employer and two (2) persons designated by the Union, none of whom shall be directly involved in the grievance and a neutral Arbitrator who shall hear the grievance and render a decision in accordance with the Costco/Teamsters Board of Adjustment Rules and Procedures. In the event that the two by two (2 X 2) panel cannot come to a majority decision, the Arbitrator shall cast a vote to break the deadlock.

Step 3: Board of Adjustment:

(a) There shall be no grievances presented to the Board of Adjustment (hereinafter the Board) until all steps of the grievance procedure have been utilized. All such grievances shall be considered settled and not subject to the Board unless either party (the Union or the Company) first serves written notice of intention to move the issue to the Board upon the other party during the first ten (10) calendar days after the decision in Step 2 (b) of the grievance procedure.

Each of the Parties shall, within ten (10) calendar days after the execution Agreement, appoint its regular Representative and sufficient alternates and immediately notify the other party in writing of the name of each Representative appointed.

(b) Selection of the Chairperson

The Board of Adjustment Chairperson shall be selected by the regular members designated in accordance with the above. Each side, Union members and Company members, shall nominate five (5) candidates for Chairperson of the Adjustment Board. From the list of ten (10) candidates, the Union and the Company members of the Joint Adjustment Board shall select a total of five (5) nominees by alternately striking names until five (5) names remain. The side striking first shall be determined by lot. In the event a particular name appears on both lists, however, that name shall automatically be included in the permanent list of five (5) names and only four (4) additional names would be selected by striking, etc.

From the list of five (5) permanent nominees a single name shall be selected in the same manner as described above and he shall be considered as the Chairperson the next contract year to hear all matters to come before the Board. Such Arbitrator shall continue to serve in such position unless either party designates in writing to the other by the end of November of a contract year of intent to remove said impartial Arbitrator. After such request, another name shall be selected from the remaining list of four (4) names in the manner described above, and so on by the end of each contract year.

The Board of Adjustment shall convene six (6) times each year, with four (4) of the Board of Adjustments being scheduled in conjunction with Quarterly Meetings. The Board shall have the authority to issue decisions immediately upon hearing all evidence presented. If for any reason the Board requires additional time to deliberate on the matters presented, the Board may, by majority vote, grant an extension of time in issuing a decision for whatever period deemed appropriate by the Board members. After presentation of issues, a simple majority vote is required to dispose of items on the agenda.

All grievances arising out of the interpretation or application of any of the terms or conditions of this Agreement, which have not been resolved in accordance with Article VI, Settlement of Disputes, shall be submitted for determination and shall be determined by the Board of Adjustment Procedure. Neither the Board nor the Chairperson, in determining any grievance or dispute shall have the power to add to, subtract from, modify, alter or change any of the terms of this Agreement or any other terms made supplemental hereto, or to arbitrate any matter not specifically provided for in this Agreement or arbitrate any new provision into this Agreement. The Board's authority is to interpret and apply provisions of the Agreement. The Board shall be bound entirely by the records presented to it in the form of evidence and argument.

Except as provided in this Agreement, in no event shall the Company be penalized or in any way liable for monetary damages prior to ninety (90) calendar days preceding the submission of the grievance to management, but in no event prior to the event giving rise to the grievance.

It is understood and agreed that the procedures outlined in the Grievance and Arbitration Article of this Agreement shall be the exclusive remedy for any alleged violation of this Agreement.

Each decision of the Board or the Chairperson shall be made in writing with a copy of each decision sent to the Union and the Company. The determinations of the Board are final and binding upon all the Parties. There shall be no appeal of a decision rendered by this forum by either party.

The procedural rules are set forth in the Costco/Teamster Board of Adjustment Procedure and may be reviewed and revised by the mutual written Agreement between the Parties.

The Board shall have the authority to order or deny reinstatement of an employee with or without back pay in whole or in part. In the event there is an award of any back pay, any earnings by the employee and any Unemployment Compensation Insurance collected by the employee during their period of unemployment shall be offset and deducted from this award. The Union agrees to cooperate in determining the earnings of the employee while unemployed.

The grievant(s) shall be made whole within thirty (30) calendar days from the date of settlement or Board of Adjustment decision, unless otherwise mutually agreed.

Step 4: Arbitration

(a) It is agreed by the Parties that not all instances can be resolved by the Board of Adjustment Procedure. In these issues, it is agreed that by mutual written Agreement the Parties may proceed directly to arbitration.

Within five (5) calendar days after receipt of the written demand for arbitration, referred to in Step 2, the Parties shall select an impartial Arbitrator; and if they are unable to agree upon their selection, the Union shall forthwith request the Federal Mediation and Conciliation Service (FMCS) to submit a list of nine (9) disinterested persons within the geographical region qualified and willing to act as impartial Arbitrators and simultaneously mail a copy of such request to the Employer. From this list, within two (2) calendar days after receipt thereof, excluding weekends and holidays, the Employer and the Union shall each alternately strike one (1) name until six (6) names have been eliminated: and the person whose name remains shall be selected impartial Arbitrator. The Parties shall draw lots to determine who shall make the first deletion from the list.

(b) The Parties may continue to meet as often as required prior to going to arbitration in an effort to resolve the grievance.

(c) Award

The Arbitrator shall hear the submitted grievance as expeditiously as possible and shall render an award within thirty (30) calendar days after conclusion of the last hearing.

(d) Final and Binding

The award shall be final and binding upon all Parties per sub-section (a) of this Article.

(e) Limitations on Arbitrator

The Arbitrator shall have no power to:

1. Alter, change, modify, or add to or subtract from this Agreement or any provisions thereof.

2. Determine any dispute arising out of the interpretation or application of Section (a) of this Article.

3. Determine any provisions to be incorporated in a new Agreement or an extension or renewal of this Agreement.

4. Impose on either party hereto a limitation or obligation not set forth in an express provision of this Agreement.

5. The Arbitrator shall have the authority to order or deny reinstatement of an employee with or without back pay in whole or in part. In the event there is an award of any back pay, any earnings by the employee and any Unemployment Compensation Insurance collected by the employee during their period of unemployment shall be offset and deducted from this award. The Union agrees to cooperate in determining the earnings of the employee while unemployed.

(f) Expenses

The expenses of the Arbitrator and reporter or the cost of the FMCS Arbitrator list shall be borne equally by the Employer and the Union. Any other expenses shall be paid for by the party incurring them.

(g) Time Limits

A grievance which is not brought forward within the time limit provided within each of the sections herein shall be deemed waived. All time limits provided in this Article may be extended by mutual Agreement of the Parties.

(h) Monetary Awards

Any pay awarded from grievances other than Board of Adjustment or Arbitration decisions will be paid no later than the following pay period. Monetary awards issued from a Board of Adjustment or Arbitration shall be paid to the Awardee(s) within thirty (30) days of the issuance of such Board or Arbitration decision.

ARTICLE VII - UNION REPRESENTATIVES/SHOP STEWARDS

(a) Visits: Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided, however, the Union assures that there will be no interruption of the Employer's working schedule.

(b) Union Stewards: The Employer recognizes the right of the Local Union to designate a reasonable number of Stewards. 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 member of the management team which shall not be arbitrarily denied.

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

Stewards shall be allowed to attend a Stewards' meeting with management during working hours once a month. With advance notice, Stewards will be allowed up to five (5) days off per year for the purpose of Steward training, with prior manager approval which will not be arbitrarily denied.

(c) Recognizing the importance of the role of the Steward in efficiently resolving problems or disputes between the Employer and its employees, the Employer affirms its commitment to the active involvement of stewards in such processes in accordance with the terms of this Article.

The Steward shall be permitted reasonable time to present grievances to the Company and to represent a fellow employee concerning grievances or discipline, in accordance with Article VI (Settlement of Disputes).

(d) Stewards will be paid for time spent in meetings under this Article. Such time spent during the Steward's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the Steward. Such meetings shall be conducted in an efficient manner.

(e) When requested by a Union employee, there shall be a steward present whenever the Employer meets with an employee concerning investigatory interviews. In such cases, the meeting shall not continue until the steward is present.

(f) If an employee does not wish to have a Steward in any meeting where the employee has a right to Union representation under this Article, the employee shall sign a waiver of Union representation for that meeting. A copy of which shall be furnished to the Union upon its request.

(g) Stewards shall be allowed to wear an identifying steward's badge, provided by the Union, at all times while on the Employer's premises.

ARTICLE VIII - STRIKES, LOCKOUTS & PICKETING

The Company and the Union recognize the right of an employee to not cross a lawful primary picket line which has been established by a Local Union of the Teamsters Union which has been recognized by the Company as having geographical jurisdiction over the location being picketed, provided the picketing has been sanctioned by the Teamsters Joint Council in the area and, provided further, that at least five (5) days' notice of such sanction must be given to the Company's Vice-President of Operations. The Company agrees that during the life of this Agreement it will not lockout the employees.

Except as provided above, it is agreed that for the duration of this Agreement, there shall be no strike, slowdown, stoppage of work, boycotting or picketing by the employees or by the Union. The terms "strike, slowdown, stoppage of work, boycotting or picketing" shall include any such actions relating to so-called sympathy strikes, sympathy slowdowns, sympathy stoppages of work, sympathy boycotting, or sympathy picketing.

ARTICLE IX - HOLIDAYS

(a) Paid Holidays

The following days shall be considered contract holidays, and such holidays not worked shall be paid straight time based on a prorated four (4) week average of all hours paid, up to a maximum of 40 hours per week. This proration is calculated one week before the posting of the holiday schedule.

NEW YEAR'S DAY	*MLK DAY	EASTER DAY
MEMORIAL DAY	FOURTH OF JULY	LABOR DAY
FLOATER	THANKSGIVING DAY	CHRISTMAS DAY

*Martin Luther King, Jr's Birthday

Employees will be scheduled an MLK Day on a mutually agreed upon day anytime from two (2) weeks before to four (4) weeks after the actual date of the holiday.

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. Hourly non-exempt employees will be paid out for their available and unused personal floating holiday at their anniversary and upon termination of employment.

(b) Holiday Work Week

A regular holiday workweek shall consist of the holiday itself and four (4) other eight (8) hour days. A full-time employee not working on a holiday shall receive eight (8) hours pay for the holiday, in addition to the pay specified in this Agreement for the other four (4) days referred to above. All time worked on non-holiday days exceeding thirty-two (32) hours shall be paid for at the rate of time and one-half (1 ½) the employee's regular rate of pay.

(c) Part-time Employees

Part-time employees, who have completed their probationary period, shall be entitled to holiday pay in accordance with this Article. Holiday pay for such part-time employees shall be based upon a formula of twenty percent (20%) of the average number of straight time hours in each week regularly worked by such employees during the four (4) weeks preceding the holiday week.

(d) Holiday Eligibility

Subject to applicable law, it is understood that to be eligible for any of the above holidays, the employee must have been available for work the regular scheduled work day preceding the holiday, and the regular scheduled work day following the holiday, unless the employee obtains permission from the Employer, which will not necessitate their working the preceding or following scheduled work day, or if the employee was absent due to illness or injury as certified by a doctor, including intermittent FMLA, specific to that day. The Employer may, at their option, elect not to require such proof.

(e) Holiday Pay

When any work is performed by any employee on any of the holidays as provided for in this Agreement, such time shall be paid at the rate of time-and-one-half (1½) the employee's regular straight-time rate of pay, in addition to the non-worked pay allowance provided for in this Article; or the employee at their option may elect to work the holiday at the time-and-one-half (1½) pay rate and take an extra day off in the following two (2) weeks. If a holiday recognized in the Agreement falls on a Sunday, the pay scale shall be one point five (1.5) for all hours worked. This shall not apply to the nationally observed MLK Day.

(f) Probationary

Probationary employees shall not be eligible for Holiday pay but shall be paid Holiday premium for hours worked on a Holiday.

(g) Other Closings and Inclement Weather

In the event of adverse weather, mechanical/power failures or other Acts of God, the following shall apply:

- 1) Employees who have lost hours due to the above-mentioned conditions will be allowed to use Vacation, Sick/Personal Leave, and/or work additional hours where possible in that pay period to make up for lost hours.
- 2) Full-time employees who have begun their shift shall be guaranteed eight (8) hours work, or pay in lieu thereof.

ARTICLE X – VACATIONS

Upon completion of one (1) year of employment with the Company, employees shall be eligible for paid vacations under the conditions set forth in this Article. No employee is entitled to any pro-rata vacation until completion of one (1) year of service.

(a) Paid Vacation

Full-time and part-time employees continuously employed who accumulated hours of two thousand (2,000) or more since their previous anniversary date will receive annual vacation as follows:

Continuously Employed	Vacation	Hours of Vacation
1 Year	1 Week	40 Hours
2 Years but less than 5	2 Weeks	80 Hours
5 Years but less than 10	3 Weeks	120 Hours
10 Years but less than 15	4 Weeks	160 Hours
15 Years and above	5 Weeks	200 Hours

Full-time and part-time employees who have accumulated less than two thousand (2,000) hours since their previous anniversary date shall have vacation hours prorated accordingly. The calculation period shall be based on the twenty-six (26) pay periods immediately preceding the employee's anniversary date.

If vacations are prorated due to time lost, the employee can take no less than twenty-five (25) hours per week for full-time employees, and no less than twenty (20) hours per week for part-time employees.

Hours lost due to on-the-job injuries, up to a maximum of six (6) months shall be considered as hours worked when computing pro-rata vacation. The six (6) month allowance cannot be used more than once in any two (2) year window period.

(b) Vacation Accrual

Vacation is to be taken during the twelve (12) months following the anniversary on which the vacation was earned. No pay in lieu of vacation will be allowed. Unscheduled vacation time may be requested at any time following the bid, during the twelve (12) months following the anniversary on which the vacation was earned or up to forty (40) hours may be rolled over to the following anniversary year.

(c) Scheduling of Vacations

Employees will bid for vacation time by writing in their bid on a vacation schedule posted each year by the Employer in the months of December and January. Bids must be made through January and will be awarded by seniority. Bids made during this time must be made in one (1) week increments. Employees may bid and take all of their vacation weeks at one (1) time or may bid and take vacation in separate weekly increments. A completed vacation schedule shall be posted by March 1st, of each year.

It is recognized that the Employer has no obligation to grant a vacation for the period from the week of Thanksgiving through December 24th. During the week of and week before the named holidays as defined in this Agreement, no less than five percent (5%) of the employees on each shift (days/nights) will be allowed to take vacations at any one time. During the other times of the year, no less than ten percent (10%) of the employees on each shift (days/nights) will be allowed to take vacations at any one time.

Employees shall be allowed to take up to forty (40) hours of vacation in one (1) day increments. Single day vacation shall be scheduled after all full vacation weeks have been offered and awarded through the bid process herein. Employees requesting single day vacations following the completion of the bid process shall be granted such requests on a first come first served basis if the request is made, in writing, on a form provided by the Employer, at least forty-eight (48) hours in advance of the requested day and the allotment of available slots are not filled. Any other requests shall be by mutual agreement.

(d) Vacation Proration Upon Termination

Any employee who quits or is laid off before one (1) year of continuous employment shall receive no vacation pay.

Any employee whose employment is terminated between their first (1st) and second (2nd) anniversaries shall receive vacation pay on the basis of one (1) week pro-rated pay according to the ratio of straight-time hours worked since their most recent anniversary to 2,080 hours. Any employee whose employment is terminated between their second (2nd) and fourth (4th) anniversaries shall receive vacation pay on the basis of two (2) weeks pro-rated pay according to the ratio of straight-time hours worked since their most recent anniversary to 2,080 hours.

Any employee whose employment is terminated between their fourth (4th) and ninth (9th) anniversaries shall receive vacation pay on the basis of three (3) weeks pro-rated pay according to the ratio of straight-time hours worked since their most recent anniversary to 2,080 hours.

Any employee whose employment is terminated between their ninth (9th) and fourteenth (14th) anniversaries shall receive vacation pay on the basis of four (4) weeks pro-rated pay according to the ratio of straight-time hours worked since their most recent anniversary to 2,080 hours.

Any employee whose employment is terminated after their fourteenth (14th) anniversary shall receive vacation pay on the basis of five (5) weeks pro-rated pay according to the ratio of straight-time hours worked since their most recent anniversary to 2,080 hours.

(e) **Vacation Sharing**

Vacation sharing shall be permitted pursuant to the Company Vacation Sharing Policy.

ARTICLE XI - PAID SICK/PERSONAL TIME AND PAID SICK TIME

The First 89 Calendar Days of Employment – Paid Sick Time

Employees accrue paid sick time beginning on their first day of employment through their 89th calendar day of employment at the rate of 0.036 hours for each paid hour. Accrued paid sick time can be used beginning on the 90th calendar day of employment, but only for the reasons listed under Use of Paid Sick Time and Paid Sick/Personal Time. Accrued, unused paid sick time will carry over from year to year, but it is not paid out during employment or upon separation from Costco.

90 Calendar Days and Beyond – Paid Sick/Personal Time

Employees who have completed 89 calendar days of employment stop accruing paid sick time and begin accruing paid sick/personal time beginning on their 90th calendar day of employment at the rate of 0.036 hours for each paid hour. After the first year of employment, employees may accrue up to 80 hours (10 days) of paid sick/personal time annually. Employees may carry over up to 80 accrued, unused paid sick/personal time hours into their next anniversary year. Any unused paid sick/personal time hours in excess of 80 will be paid out on the employee's anniversary.

Eligibility

- Beginning on an employee's 90th day of continuous employment, an employee is eligible to use paid sick time that has accrued from the employee's date of hire.
- As an employee accrues paid sick/personal time, it is available for use.
- Costco will apply available paid sick time to absences for the reasons specified in Use of Paid Sick Time and Paid Sick/Personal Time before applying paid sick/personal time unless an employee requests otherwise.

Use of Paid Sick Time and Paid Sick/Personal Time

An employee may use paid sick time or paid sick/personal time 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 reason authorized by law.

Employees should make reasonable efforts to schedule planned paid sick time or paid sick/personal time so as not to unduly disrupt operations and provide reasonable advance notice to their Manager.

If available for use employees will be paid sick time or sick/personal time when calling out for a full shift or when leaving work early for the above permitted reasons, unless the reason for the absence is for FMLA or other protected leave and you choose to use vacation or elect no pay for that time.

Scheduled paid sick/personal time for any non-sick time reason may be taken at a time that is mutually agreeable between you and your Supervisor and should be requested in writing on a Costco form forty eight (48) hours in advance. Paid sick time may not be used for a non-sick time reason. Costco will try to accommodate last-minute requests for, or changes to, planned paid personal time. Paid sick time may not be used for personal reasons.

Paid sick time and paid sick/personal time payments and balances will appear on an employee's pay stub. Use of paid sick time or paid sick/personal time for an unscheduled or scheduled absence will not count for purposes of calculating excessive absenteeism. Costco will not retaliate against or discipline employees for appropriate use of paid sick time or paid sick/personal time.

Absences Not Covered by Paid Sick Time or Paid Sick/Personal Time

If an employee fails to report to work on a scheduled workday, or leave work early for reasons listed under Use of Paid Sick Time and Paid Sick/Personal Time, and does not have sufficient paid sick time or paid sick/personal time available to cover their shift, it will be counted as an instance of absence or half absence.

Absences not covered by paid sick time or paid sick/personal time will count for the purpose of excessive absenteeism.

An unscheduled absence will count as an instance of absence even if using vacation time.

Consecutive unpaid absences are considered one continuous instance unless broken by any period of work.

Notification of Absence

If an employee is unable to report for work, an employee must call in or otherwise contact management at an employee's location at least one hour before the start of the work shift or as soon as reasonably possible (unless an employee is working the first full shift of the day, in which case it is necessary to notify management at the start of the shift or as soon as reasonably possible).

If an employee or a family member becomes ill while an employee is at work and an employee needs to leave early, the employee must notify an employee's Supervisor or Manager before leaving.

If an employee provides false or misleading information in connection with an absence or early departure (including the reason for the absence or early departure), the employee will be subject to discipline, up to and including termination of employment.

Calculating Use of Paid Sick Time or Paid Sick/Personal Time

Full shift

If less than 50% of an employee's shift is covered by available paid sick time or paid sick/personal time, the employee will be paid their available paid sick time or paid sick/personal time and this day will count as a half instance of absence.

If at least 50% of an employee's shift is covered by available paid sick time or paid sick/personal time, the employee will be paid their available paid sick time or paid sick/personal time and this day will not count as an instance of absence.

Partial shift

If an employee worked at least 50% of their shift, and leaves with less than one hour left in their shift, the employee will be paid an employee's available paid sick time or paid sick/personal time and this day will not count as an instance of absence. If an employee does not have any available paid sick time or paid sick/personal time, this day will count as a half instance of absence.

If an employee works at least 50% of their shift, and leaves with an hour or more left in an employee's shift, an employee will be paid their available paid sick time or paid sick/personal time and this day will not count as an instance of absence. If an employee does not have any available paid sick time or paid sick/personal time, this day will count as a half instance of absence.

If an employee works less than 50% of their shift and has less than half of an employee's shift covered by a combination of paid sick time and/or paid sick/personal time and work time, this day will count as a half instance of absence. If an employee has half or more than half of an employee's shift covered by a combination of paid sick time and/or paid sick/personal time and work time, this day will not count as an instance of absence.

If an employee worked less than 50% of an employee's shift and an employee does not have any available paid sick time or paid sick/personal time, this day will count as an instance of absence.

Payout

Anniversary Date

Employees will be paid out for any unused paid sick/personal time in excess of 80 hours as of their anniversary date (unused paid sick time is not paid out). These paid hours are not included for purposes of accumulating or accruing hours towards goal hours, vacation, holidays, paid sick time, paid sick/personal time, personal floating holidays, or Extra Check payments. If an employee's balance of unused paid sick/personal time does not exceed 80 hours, then there will be no payout. Any paid sick/personal time balance not paid out will carry over into the employee's next anniversary year for use and they will continue to accrue paid sick/personal time based on hours paid.

Upon Promotion

Employees promoted to a salaried position will be paid out for any unused paid sick/personal time. Unused paid sick time is not paid out upon promotion to a salaried position.

Upon Termination

Employees will be paid out for any unused paid sick/personal time upon termination of employment. Unused paid sick time is not paid out upon termination of employment.

Responsible Use of Paid Sick Time and Paid Sick/Personal Time

Costco promotes responsible use of paid sick time and paid sick/personal time. Costco's policy allows for case-specific determinations of whether any abuse of paid sick time or paid sick/personal time has occurred. This policy is intended to curb abuse and does not take anything away from an employee's right to properly use paid sick time and paid sick/personal time. Costco strictly prohibits retaliation against employees for using paid sick time and paid sick/personal time for the reasons described under Use of Paid Sick Time and Paid Sick/Personal Time.

Employees may be subject to discipline for abusing unscheduled paid sick time or paid sick/personal time. Unscheduled absences not covered by paid sick time or paid sick/personal time do not count toward a potential pattern of abuse.

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.

As part of this process, an employee may be asked to substantiate that the use of unscheduled paid sick time or paid sick/personal time was for a permitted reason. If Costco determines, on review, that there has been an abuse of paid sick time or paid sick/personal time, then discipline may occur.

Costco does not discipline for proper use of paid sick time or paid sick/personal time for permitted reasons outlined or for reasons otherwise permitted by law.

Documentation and Release to Return to Work

An employee may be required to provide documentation supporting paid sick time or paid sick/personal time for absences of five or more consecutive scheduled days of work, and an employee may be asked to provide documentation when there is suspected abuse of paid sick time or paid sick/personal time. Failure to provide sufficient documentation may result in discipline, up to and including termination.

If an employee's absence from work was due to an employee's own injury, serious illness, or a health condition causing an employee to miss five or more consecutive scheduled days of work, then an employee must present a release from an employee's health care provider before returning to work. In the event an employee's health care provider places limitations on an employee's ability to perform their job duties, Costco will make a reasonable effort to accommodate those restrictions.

EMPLOYEE ATTENDANCE POLICY - ATTENDANCE & TARDIES

ATTENDANCE

When an employee is absent from work for four (4) or more unpaid occasions in a twelve (12) month period, 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

Corrective Consultation will be valid from twelve (12) months of the occurrence.

TARDY

When an employee is tardy on three (3) separate occasions of four (4) minutes or more and/or two (2) occasions of thirty (30) minutes or more in a rolling thirty (30) day period this will be considered excessive tardiness. Progressive discipline will be as follows:

Progressive Discipline Steps	Number of Tardies in a rolling thirty (30) day period	Action Taken
Step One (1)	Three (3) tardies in a rolling thirty (30) day period	Verbal Corrective Consultation
Step Two (2)	Three (3) tardies in a rolling thirty (30) day period	Written Corrective Consultation
Step Three (3)	Three (3) tardies in a rolling thirty (30) day period	Written Corrective Consultation and possible suspension and/or Termination

Corrective Consultations are valid six (6) months from the date of issuance.

Example:

- Tardy on 2-17-22 six (6) minutes late (1st tardy)
- Tardy on 2-22-22 four (4) minutes late (2nd tardy 5 days after 1st tardy)
- Tardy on 3-15-22 four (4) minutes late (3rd tardy 27 days after 1st tardy)

This is subject to a verbal corrective consultation and will be valid for six (6) months from the day of issuance.

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

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 XIII – JURY DUTY

(a) Jury Pay Integration

Each day that any employee covered by this Agreement and who is past their probation period is required to serve on any jury, and when such service deprives an employee of pay that the employee otherwise would have earned, the Employer agrees to pay such employee for those days, the difference between any remunerations received for such jury duty and the amount that they would normally be paid for that day at regular straight-time rate. Mileage pay received is not included in such remunerations.

Employees are encouraged to use the phone-in system where available, to minimize time away from work.

(b) Return to Work Requirement

If any employee is excused from jury duty service on a scheduled work day, the employee shall immediately upon release report for work to complete the remaining hours of their scheduled work shift, unless there are less than two (2) hours of time left in their scheduled hours or if the hours spent on jury duty are equal to or more than the hours scheduled to work that day.

(c) Certification and Falsification

The employee shall be required to have a jury duty form completed by an Officer of the Court, indicating the amount of jury duty pay received, if any, and the time released from jury service. Falsification of jury duty claims shall be cause for disciplinary action including termination. A copy of this form will be given to the employee's Supervisor.

(d) Change of Schedule

Eligible employees with a morning starting time prior to 8:00 a.m., when selected to serve on jury duty and are actually reporting to jury duty, shall have their schedules changed to concur with the reporting time for jury duty.

- Example: *an employee required to report, in person, for jury duty at 8:00 a.m. shall be scheduled to commence their workday at 8:00 a.m. Such employee however, shall actually report for jury service at 8:00 a.m. All other provisions of this Article shall apply.*

An employee who is normally scheduled to work both Saturday and Sunday and who is impaneled in a jury trial, and who requests, will be scheduled at least one (1) weekend day off. In the case where an employee is scheduled both Saturday and Sunday, with jury duty required on a scheduled day off, the Company will modify their schedule to allow them one weekend day off and convert the jury duty day off to a scheduled work day so that the employee may qualify for jury duty pay for that day. It is the intent of this Article that employees who are scheduled to work at any time on the day of jury duty, shall not be required to work if their time of jury duty is equal to, or greater than, the hours that they are scheduled for on that day.

ARTICLE XIV - SEVERANCE PAY

(a) Employer Notice in Event of Layoff

When a regular employee has been in the employ of the Employer continuously for one (1) year or more, such employee upon layoff shall receive either one (1) week notice of discontinuance of employment or one (1) week's pay in lieu thereof. An employee with (2) years or more of service shall receive two (2) weeks' notice or two (2) weeks' pay. An employee five (5) years or more of service shall receive three (3) weeks' notice or three (3) weeks' pay. An employee with ten (10) years or more of service shall receive four (4) weeks' notice or four (4) weeks' pay.

(b) Depot Closure

In the event a depot is closed, and employees cannot be placed in another location within a fifty (50) mile radius of their home depot, such employees shall be compensated as follows:

An employee with less than five (5) years of service shall receive one (1) week's pay for each complete year of service. An employee with five (5) years or more of service shall receive two (2) weeks' pay for each complete year of service. The aforementioned total compensation shall be concurrent with any obligations under the W.A.R.N. Act.

ARTICLE XV - UNION BUTTONS

Union members shall have the right to wear their official Union buttons. No buttons, clothing, or accessories of a political or controversial nature are authorized.

ARTICLE XVI – CONTRIBUTIONS

The Employer shall not conduct or handle any campaign or drive for charitable purposes among its employees except where the cooperation and contribution of the employees are voluntary.

ARTICLE XVII – BOND

Whenever the Employer requires the bonding of any employee or the carrying of any insurance for the indemnification of the Employer, the premium shall be paid for by the Employer.

ARTICLE XVIII - CLASSIFICATIONS & WAGES

Classifications and wages shall be those set out in Appendix "A".

New Classifications

The Company shall notify all Local Unions of its intention to create a new job which is not now covered under this Agreement or to revise an existing classification or department. Such notice shall be given to the Union in advance of the implementation of such new job or revision of an existing classification or department provided operational requirements permit. The Employer shall, upon the request of the Union, negotiate a wage applicable to such employee(s). Failure on the part of the Parties to reach an Agreement will result in the matter being submitted to the following arbitration procedures:

The Parties agree to meet to establish a wage rate for the new classification. In the event the Parties cannot agree within sixty (60) days, the matter shall be referred to an impartial Arbitrator.

The Arbitrator shall determine if a new classification is appropriate and shall retain jurisdiction until such time as the Parties resolve the wage question.

ARTICLE XIX - REPORTING TO WORK

It is agreed that employees are responsible for reporting to work at their scheduled time. An employee who is unable to report to work must call their Manager or, if the Manager is unavailable, another Manager, at least one (1) hour prior to the start of the shift, or at the start of the shift if this is the first (1st) shift of the day, or unless prevented from doing so by reasons beyond control of the employee or as soon as reasonably possible. The Company will keep a telephone log on sickness calls.

Employees must present a neat, clean appearance when reporting to work and wear appropriate clothing for their job responsibilities. All employees must wear closed-toe, low heeled shoes for safety reasons. Employees reporting to work without proper attire may be sent home to comply.

Failure to notify the Manager of an inability to report to work for three (3) consecutive days shall be considered job abandonment. The employee shall be so notified by mail.

The Company has the right to establish a dress code consistent with its operation. The Company agrees to notify, meet and discuss any changes to the dress code with the Union prior to the implementation of the changes.

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

(a) Basic Workday / Workweek

Employees reporting to work as scheduled shall be guaranteed eight (8) consecutive hours' work or pay each day, except for a Sunday which is part of the regular bid workweek, where Sunday shall be guaranteed six (6) hours at time and one-half (1.5).

The basic workweek for full-time employees shall be forty (40) hours for any five (5) consecutive workdays Monday through Sunday, except when Sunday is part of the regular bid workweek, when employees shall be guaranteed thirty-eight (38) hours of which six (6) shall be at time and one-half (1.5) and thirty-two (32) hours at straight time.

It is understood and agreed that the Employer shall not replace full-time positions with part-time positions.

As openings occur, full-time employees will be given their choice of workweek by seniority in accordance with Article XXXII 2 (d).

(b) Guaranteed Minimum Work Week

All regular full-time employees shall be guaranteed a minimum week's work of forty (40) hours, except when Sunday is part of the regular bid workweek, when employees shall be guaranteed thirty-eight (38) hours of which six (6) shall be at time and one-half (1.5) and thirty-two (32) hours at straight time, (exclusive of lunch periods) on either Day Shift defined as any shift beginning from 12:00 am through 11:59 am or Night Shift defined as any shift beginning from 12:00 pm through 11:59 pm. 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-four (24) hours in any scheduled workweek of eight (8) hours per day.

(c) Guaranteed Minimum Hours' Pay

Full-time employees called in on their scheduled day off will be guaranteed eight (8) hours work or pay in lieu thereof.

(d) Overtime

1. All hours worked in excess of eight (8) hours in any one (1) day, or in excess of forty (40) hours in a regular work week, and thirty-two (32) hours in a holiday week, shall be paid at the overtime rate of time-and-one-half (1½) of the employee's regular rate of pay.
2. All hours worked in excess of twelve (12) hours in any one (1) work day shall be paid at the overtime rate of two (2) times the employee's regular hourly rate of pay.
3. After an employee has worked a total of 50 hours in a work week, any additional hours in that work week shall be worked at the option of the employee except during the Seasonal time frames identified in this agreement, or during an emergency circumstance beyond the Employer's control.

(e) No Duplication of Overtime

Hours worked on Sundays, or days recognized as holidays, and any other hours worked for which overtime or a premium rate of pay is payable under any provisions of this Agreement shall not be taken into account in computing overtime hours worked nor shall there be any other duplication or accumulation of overtime.

(f) Basis of Overtime and Premium Pay

Overtime and premium pay shall be computed based on the employee's regular hourly rate of pay whether such rate is a contract rate or in excess thereof.

(g) Allocation of Overtime

Overtime hours shall be offered on a seniority basis to those employees available and assigned in inverse order of seniority in the event there are insufficient volunteers. This does not apply to overtime hours required to fulfill a driver's daily assignment.

(h) Sunday Premium

All time worked by employees on Sunday shall be paid at the rate of one point five (1.5) times their regular hourly rate of pay.

(i) Seventh Consecutive Day of Work – Double Time Sundays

No employee shall be required to work seven (7) consecutive days except in an emergency. It shall not be a violation of this Agreement nor shall it constitute cause for disciplinary measure if an employee is not able to work on the seventh (7th) consecutive day. All work performed on a seventh (7th) consecutive day shall be compensated at the rate of double (2X) the employee's straight time rate of pay, provided an employee begins a shift on each day of a week (Monday through Sunday). In such case, all hours paid for the shift beginning on that Sunday will be compensated at the rate of double time (2X) the employee's straight time rate of pay. There shall be no pyramiding with any other premium pay.

ARTICLE XXI - FAIR TREATMENT

The Employer does not allow or permit threats, intimidation, harassment or coercion in violation of the ANTI-HARASSMENT POLICY, DISCRIMINATION POLICY AND REPORTING PROCEDURE contained in this Agreement. It is agreed that all employees are expected to be sensitive to and respectful of others whom they come in contact with while representing or visiting Costco.

ARTICLE XXII - MEAL & REST PERIODS

Employees who work more than five (5) hours in a day shall be allowed an unpaid meal period of at least thirty (30) minutes between their second (2nd) and fifth (5th) hours of work.

Employees working at least three hours longer than a normal workday shall be allowed a meal period before or during the overtime portion of the shift. A "normal workday" is the shift the employee is regularly scheduled to work. The second 30-minute meal period must be given within five (5) hours from the end of the first meal period and for each five (5) hours worked thereafter. Upon written request to the Employer, an employee may voluntarily waive the second (2nd) meal period.

(b) Rest Periods

Subject to applicable law, employees shall be allowed a paid rest period for each four (4) hours worked according to the following: an employee scheduled to work shall receive one (1) fifteen (15) minute rest period in the middle of the first (1st) half (1/2) of the shift and one (1) fifteen (15) minute rest period in the middle of the second (2nd) half (1/2) of such shift. Rest periods shall be scheduled as near as possible to the midpoint of the work period however no employee shall be required to work more than three (3) hours without a rest period.

Any employee who works ten (10) hours or more in a day shall receive one (1) additional fifteen (15) minute rest period.

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.

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

Prior to making a mandatory schedule change, the Employer agrees to make reasonable effort to fill scheduling needs on a voluntary basis.

No prior notice is necessary in the event of scheduled changes necessitated by acts of God, mechanical or power failure.

Nothing herein restricts the Employers' right to request employees to come in voluntarily or employee's right to come in when requested, or to leave early if mutually agreed between Employer and employee.

It is hereby agreed that full-time employees reporting for work as scheduled shall be guaranteed the hours in the day as scheduled, or pay in lieu thereof, unless the employee volunteers to go home early.

Employees being terminated will be guaranteed a minimum of two (2) hours pay.

The Company will continue the practice of maintaining regular schedules. However, it is recognized that due to business requirements occasionally work schedules may be changed in accordance with this Agreement and such changes shall not be considered a violation of this Collective Bargaining Agreement, nor incur any penalty from the Collective Bargaining Agreement. The Company agrees to minimize these changes by first utilizing volunteers and / or attempting to schedule Part Time employees by inverse seniority.

ARTICLE XXIV - MISCELLANEOUS SCHEDULING

(a) Shift Lapse

All employees shall be off ten (10) hours between consecutive shifts. Work performed prior to the ten (10) hours elapsed time shall be paid at the rate of time-and-one-half (1 ½).

(b) Direction of Work Force and Travel

An employee will not be required; even in emergency situations, to work in a capacity from which the employee had previously been removed for disciplinary reasons or in which the employee refuses to perform for safety reasons.

When employees are asked to travel from their home warehouse to another location, they shall be reimbursed in accordance with the Company's Travel Policy.

ARTICLE XXV - WAGE PROGRESSION

(a) Wage Progression

The hourly rates set forth in this Agreement are the minimum rates for the job classifications within a given bracket.

(b) Minimum Wage Rates

No employee shall receive less than the wage rate herein provided for their classification of work.

(c) Pay Period

The regular pay periods are bi-weekly.

ARTICLE XXVI – MISCELLANEOUS

(a) Polygraph

The Employer shall not demand or require any applicant for employment or prospective employment or any employee to submit to or take a polygraph lie detector or similar test or examination as a condition of employment or continued employment.

(b) Bulletin Boards

The Employer will provide a locked, glass enclosed bulletin board to be used for Union notices and announcements. Such Bulletin Boards shall be available in a conspicuous location.

(c) Training School Fees

1. In the event the Employer requires an employee to attend any trade school or training session on the employee's non-working time, the Employer agrees to reimburse the cost upon completion.

2. Testing and Licensing Requirements

The Employer will pay for the cost of the DOT physical performed at an Employer approved medical clinic. However, an employee may go to a DOT certified doctor of their own choosing but will not be reimbursed.

The Employer will pay for the cost associated with obtaining a TWIC card where required, or any type of required training.

(d) Uniforms/Safety Shoes

The Employer shall reimburse two hundred (\$200) dollars per year (proof of purchase required) for the purchase of approved boots/safety footwear. Any changes to the minimum program must be negotiated with the affected Union(s) prior to implementation of any such change.

Employees required to wear a vest shall be provided their own clean vest. The Employer shall provide complete rain gear for those employees who must work outside during inclement weather.

(e) Post-Accident Testing

When an employee's performance cannot be conclusively discounted as a contributing factor for an accident which causes injury or damage to individuals, property or equipment, the employee may be required to submit to drug and alcohol screening test prior to clocking out. When required by DOT regulations, a DOT Post-Accident test will be performed.

(f) Drug and Alcohol Rehabilitation Program

If an employee comes forward on their own and asks for help with a drug or alcohol problem prior to being involved in an incident resulting from drug or alcohol use, they may be enrolled in the Company's confidential program and there will be no disciplinary action taken against them. The employee will be expected to agree to a contract for continued employment.

The Duty Manager, if they suspect an employee is under the influence of alcoholic beverages or illegal/dangerous drugs/substances and or narcotics, can require the Employee be taken to a medical facility and be tested. All time so spent shall be compensated time.

(g) Employee Membership Benefit

Each employee is entitled to an Executive Wholesale Membership at no charge. The employee is also entitled to three (3) free additional memberships, for which the employee is responsible. This may be issued to any individual of the employee's choice, provided they are related to the employee or reside with the employee and are at least 16 years of age.

Employees will receive a lifetime Executive Membership if, when they leave the Company, are fifty-five (55) years of age and have a minimum of fifteen (15) years of service with Costco or have at least twenty-five (25) years of service with Costco. The complimentary Executive Membership is for the employee, and their spouse/domestic partner. Employees who are terminated for cause are ineligible for the lifetime Executive Membership.

(h) Facility Cameras

The Company may utilize camera surveillance for security, safety and investigations.

ARTICLE XXVII - TEMPORARY LAYOFF

(a) Temporary Layoff

The Employer shall have the right to temporarily lay off employees by seniority.

ARTICLE XXVIII – EQUIPMENT - SAFETY - COMMITTEES

(a) EQUIPMENT

Employees are responsible to perform a proper pre and post trip inspection on any vehicle or equipment operated each day. The Employer shall not require and employees will not choose to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement, where employees refuse to operate such equipment, unless such refusal is unjustified. Any employee involved in any accident shall immediately report said accident and any physical injury sustained.

Employees shall no later than the end of a shift, report all defective equipment. Such reports shall be made on a suitable form furnished by the Employer. One (1) copy will be kept in the truck.

Equipment or vehicles that have been reported as being in an unsafe operating condition must be approved as being safe by an authorized mechanic prior to further utilization. Any equipment or vehicle being reported in an unsafe operating condition must specify the nature of the unsafe condition.

In relation to defective equipment, the Employer shall pay all fines and assessments and compensate employees at their straight-time rate for all work missed and also provide all necessary transportation and legal representation in connection therewith, provided the employee was performing pursuant to Employer instructions.

Heaters and Defrosters: The Employer shall install and maintain heaters and defrosters on all trucks and all safety equipment required by law. Complaints regarding heaters or defrosters not being in proper working order shall be addressed pursuant to red-tagging procedures.

All air-conditioning units not in working condition shall be fixed in a timely manner upon written notice on the vehicle inspection report.

All equipment which is appropriately refused, or has been written up for repair, shall be appropriately tagged and placed out of service, so that it cannot be used by other drivers or employees until the authorized mechanic has certified the equipment to be in safe working condition.

(b) SAFETY

Double Drop: The Employer will not require any driver to perform a double-drop at a warehouse during business hours if the driver has a legitimate safety concern.

Wiper Blades: The Employer will provide wiper blades of a quality to maintain a clear line of vision on all windshields.

Suitable windshield/window cleaning materials shall be available to include a long-handled brush/squeegee.

(c) SAFETY and HEALTH

The Employer and the Union agree that the safety of the employees and the general public is of utmost importance.

To address safety and health issues, the Employer shall establish an ongoing Safety and Health committee. The committee will be comprised of a mutually agreed to number of employee representatives and up to an equal number of management representatives. Employee elected representatives who seek to serve on the Safety Committee will be elected by their coworkers to do so, with approval of the Local Union.

There shall be Union and Employer co-chairs of the committee, selected by the respective members of each side of the committee. The term shall be for one (1) year. In the event of a vacancy during the year, there shall be an election and the vacancy will be filled prior to the next meeting.

The committee shall meet at least once each month at a mutually agreeable time and place. Meetings will be of a duration sufficient to address all safety concerns raised by the committee and/or employees in the workplace.

The Employer shall provide committee members with adequate time to perform committee functions, as described below. Each committee shall perform functions including, but not limited to:

- 1.) Review safety and health inspection reports to help correct safety hazards.
- 2.) Evaluate the accident investigations conducted since the last meeting to determine if cause(s) of unsafe situations was identified and corrected. (This activity is not to find blame or to prove guilt or innocence).
- 3.) Evaluate the workplace accident and illness prevention program and discuss recommendations for improvements, if needed.
- 4.) Document attendance.
- 5.) Write down subjects discussed and post accurate minutes of the meetings, a copy of which shall be immediately forwarded to the Union.

ARTICLE XXIX - LEAVES OF ABSENCE

(a) Approval of Leave of Absence

It is understood and agreed that the leaves of absence will be honored by the Employer only if given in writing and will normally only be granted for medical purposes. It shall be further understood that the employee must request a leave of absence in writing and shall furnish the Union with a copy of Employer's reply. Such leaves will be handled in accordance with applicable law.

In some situations, it may be appropriate to provide the employee with alternative work in lieu of granting a leave.

The maximum LOA is one (1) year for all employees. Below is a chart listing the maximum time benefits continue:

Length of Employment	Maximum Time Benefits Continue
Less than 90 Days	30 Days
Over 90 Days, But Less than 12 Months	3 Months
Over 12 Months	6 Months

Personal leave of absence (without pay, for a limited period of time) is not encouraged, but may be granted under extraordinary circumstances, at the discretion of the Manager, which shall not arbitrarily be denied.

(b) Accepting Employment While on Leave

Any employee who accepts employment elsewhere while on leave of absence may be terminated.

(c) Pregnancy

For pregnancy and associated leaves, the employee must provide their Manager with written medical substantiation from their physician. Such leave (maternity/paternity) shall be handled in accordance with applicable state law and Company policy.

(d) Return from Leave

An employee returning from an injury or illness must furnish the Employer with a written release from their physician stating that they are able to perform the essential functions of the position to which they are returning with or without reasonable accommodation. However, the Employer reserves the right to substantiate the employee's physician's findings.

When an employee returns from a leave of absence and subsequently returns back to a leave of absence due to any injury within ninety (90) calendar days or less, the leave of absence is considered continuous and unbroken.

Employees who return from any leave of absence will return to their original position. An employee who does not return to work upon expiration of their approved leave of absence may be terminated.

(e) Winter Leave

The Company may grant hourly employees an unpaid leave of absence in the months of January, February and March for up to four (4) weeks. Employees must have a minimum of one (1) year of service to be eligible. Requests will be granted depending on the needs of the business. The following guidelines apply:

- Applications should be submitted in writing no later than four (4) weeks in advance.
- Vacation scheduling and other paid time off will take precedence over Winter Leave.
- Winter Leave may be taken as single full days or in week long increments.
- All company benefits will be maintained during Winter Leave.

(f) Union Leave

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official business, provided forty-eight (48) hours written notice is given to the Employer, by the Union, specifying length of time off. The Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of employees affected in order that there shall be no disruption of the Employer's operations due to lack of available employees.

A Union member elected or appointed to serve as a Union official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay, not to exceed six (6) months.

ARTICLE XXX - HEALTH & WELFARE

Remain in Current Medical Plans for Duration of this Agreement.

ARTICLE XXXI – PENSION

Effective January 1, 2025, based on December 2024 hours, the Employer will pay for all straight time hours compensated, including Sunday, paid vacation, sick/personal leave and holidays to a maximum of 2080 per calendar year on behalf of each employee performing bargaining unit work. The hourly contribution will be two dollars and eleven cents (\$2.11).

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.

Questions regarding Teamster Pension issues should be directed to:

Northwest Administrators Inc. (nwadmin.com)

2323 Eastlake Ave. E.

Seattle, WA 98102

All Claim and Estimate Inquiries.....(800) 531-1489

ARTICLE XXXII – SENIORITY

1) Principle

(a) General Application

The Employer agrees that seniority shall prevail in the following situations under the conditions set forth in this Article.

- Layoff and recall
- Promotions
- Weekly number of hours scheduled to work
- Work week (to fill vacancies)
- All job openings

(b) Definition

Seniority is the length of continuous employment of an employee with the Employer.

(c) Seniority When Hire Date Same

In the event there is a dispute concerning seniority for employees who began work on the same day, seniority shall be determined by the following criteria. The second (2nd) and then the third (3rd) criteria will only be applied if the first (1st) criterion does not resolve the issue.

1. Earliest starting time.
2. Greatest number of hours worked during the first three (3) months of employment.
3. Earliest date on application for employment.

(d) Loss of Seniority; Seniority shall be broken only by the following:

1. Quit.
2. Discharge.
3. Layoff exceeding: One hundred and twenty (120) calendar days during the first (1st) year of continuous employment; six (6) months after one (1) year of continuous employment; two (2) years after two (2) years of continuous employment.
4. Failure to return to work in accordance with the terms of a leave of absence or when recalled after a layoff.

(e) Probationary Employees

All employees shall be considered probationary employees during the initial ninety (90) days and shall have no seniority status during said period; but having attained ninety (90) days of employment, their seniority will date back to their original date of hire.

2) APPLICATION OF SENIORITY

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

When for any reason an employee transfers into the Depot Driver bargaining unit position, 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.

(b) Layoff and Recall and Reduction of Hours

The principle of seniority shall apply in the case of layoff and recall. That is, the last employee employed shall be the first laid off, and the last laid off shall be the first recalled. Seniority shall also apply for reduction of hours in departments.

The last employee laid off shall be given the first opportunity to reinstatement in the former position, if said employee presents themselves for work within ninety-six (96) hours, excluding Saturday and Sunday, from the receipt by the Union or the employee of the Employer's notice.

Mailing the notice to the employee's last known address will constitute receipt for the employee. Failure of such employee to present themselves within the ninety-six (96) hours shall cancel their seniority.

(c) Choice of Work Week (Full-Time only)

As openings occur, seniority shall be applied in filling openings. Full-time employees in said department will be given their choice of work week by seniority, provided that they have the required availability.

As openings occur, seniority shall apply in filling the opening. Following the filling of the position, the subsequent opening will then be posted.

(d) Annual Bidding and Bidding for Job Openings

Employees shall have the annual right, by seniority, to bid their choice of shift which will include the workweek, starting time(s) and yard or delivery duties. In the event of an operational change resulting in multiple shift cancellations, start time changes or other customer requirements, the Company may conduct an additional bid once per year. Any additional bids outside the Annual Bid contained herein shall only be by mutual agreement, which shall not be arbitrarily denied by the Union. Annual bidding shall be conducted following the Thanksgiving Holiday and effective the last full week of January. Employees shall also have the right by seniority, to bid on permanent shift openings. If an insufficient number of employees volunteer for shift openings, employees shall be scheduled by inverse seniority.

Once the Annual bidding process is completed the Company shall post for bid any subsequent vacancies that occur where the Company has decided to continue the bid. Bids shall be posted within five (5) days of the vacancy for five (5) business days. At the conclusion of the bidding process the successful bidder will be awarded the bid and will report to the new assignment at the beginning of the next workweek or as mutually agreed.

Upon reporting to work each day, drivers, in seniority order amongst those who bid the same start time, shall be presented with the prepared daily route assignments for that specific shift. Drivers will be allowed a reasonable amount of time after clocking in (up to one (1) minute) to preview these daily route assignments prior to selecting their preference. Each daily route assignment will include the entire day's hauls as of the time of the bid. This is not inclusive of same day warehouse requests that may be assigned during the day or other unanticipated events.

Once a driver has selected their desired assignment for the day, the driver shall complete their day, if possible, prior to clocking out. In the event the driver does not have a full days work and subsequently returns to the depot for additional work, such work shall be selected by the driver, in seniority order, who is in motion. If a driver experiences unexpected delays, which will result in overtime, their uncompleted routes may be reassigned to another driver when doing so will reduce the overtime required to complete all assigned work.

(e) Seniority List

The Employer must furnish the Union with a new seniority list on February 1st and August 1st of each year or as requested by the Union at other times, and at the same time post in each location's lunchroom a seniority list for that location by classification.

ARTICLE XXXIII – RENEGOTIATION

The Employer and the Union agree that in the event any provision or provisions are so declared to be in conflict with the law, both Parties shall meet within thirty (30) days thereafter for the purpose of renegotiating the provisions so invalidated. The remainder of the Agreement shall remain in full force and effect.

ARTICLE XXXIV – DURATION

This Agreement shall be in full force and effect for the period to and until January 31, 2025 and thereafter from year to year, unless terminated by either party as hereinafter provided, sixty (60) calendar days prior through January 31, 2025, either party may notify the other party in writing of its desire to cancel the existing Agreement or to negotiate a new Agreement.

ARTICLE XXXV - MANAGEMENT RIGHTS

The Management of the Employer's operation and the direction of the employees are vested solely and exclusively in the Employer and shall not in any way be abridged except as specifically restricted by the express terms set forth in this Agreement.

The Employer shall have the right to designate where and in what manner the work of employees shall be done, including the right to direct employees to do work for any other person, provided that such work by employees shall be under the terms and conditions herein, including the wages and hours as herein provided and shall be the kind and type of work generally performed by employee pursuant to the provisions herein, including going to and from any other place of business at the request of the Employer, and shall be paid for by the Employer in accordance with the terms of the Agreement.

ARTICLE XXXVI - SUCCESSOR

This Agreement as to wages, hours and working conditions, is entered into and shall be binding on both Parties, their successors and assigns, from the date hereof until terminated as provided herein.

In Witness whereof, the Parties hereto have executed this Agreement this 27th day of October 2024.

FOR THE EMPLOYER:

FOR THE UNION:



Brenda Weber, Senior Vice President
Human Resources



Rick Hicks,
Secretary-Treasurer Teamsters #174



Richard Arriola
Labor Relations Director



Fletcher Evans
Labor Relations



Bobette Laureano
Labor Relations

APPENDIX "A" – CLASSIFICATIONS

(a) Wages

Employees attaining the hours needed for a step raise shall receive the monetary increase immediately and begin accumulating hours toward the next goal increase.

Employees, members of the Reserves of the Armed Forces or National Guard who are required to attend an annual Active Duty Training period, shall continue to accumulate hours toward their next pay bracket while on such annual training. Such accumulation shall not exceed two (2) weeks per year.

The Parties agree to continue to recognize and maintain employee rights as required by USSERA and/or applicable State or Federal statutes and/or regulations.

Appendix "A-1" Wages

DRIVERS	
First 1040 Hours	\$30.50
Next 1040 Hours	\$31.50
Next 1040 Hours	\$32.50
Top Step	\$35.45

APPENDIX "B" EXTRA CHECKS 2024

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

*As stated in Appendix "B" Extra Checks in the Teamster / Costco National Agreement and any Amendments that follow, for the life of this Agreement.

ANTI-HARASSMENT POLICY, DISCRIMINATION POLICY AND REPORTING PROCEDURE

The below information is provided for informational purposes only and is not intended to be subject to collective bargaining.

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, Union affiliation and the exercise of rights covered by the National Labor Relations Act (NLRA), 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 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.

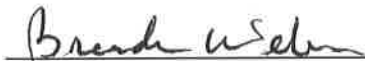
LETTER OF UNDERSTANDING - 401(k)

2025

Employees who are actively employed who are eligible for participation in the Company's 401(k) Plan, shall receive a contribution into their 401(k) Plan based on all straight time hours paid from January 1, 2025, and beyond, including Sundays, up to a maximum of one hundred seventy-three (173) hours per month as follows:

401(k) Hourly Contributions Drivers	2025
0 to 4 years	\$0.05
5 to 9 years	\$0.15
10 to 19 years	\$0.37
20 plus years	\$0.47

FOR THE EMPLOYER:



Brenda Weber, Senior Vice President
Human Resources



Richard Arriola
Labor Relations Director



Fletcher Evans
Labor Relations



Bobette Laureano
Labor Relations

FOR THE UNION:



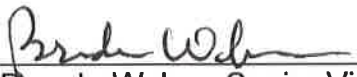
Rick Hicks,
Secretary-Treasurer Teamsters #174

LETTER OF UNDERSTANDING - WAGES

2024

Employees who are actively employed as of the date of ratification shall receive the wage increase agreed to in the successor Agreement to this Agreement, set to expire on January 31, 2025, retroactive to September 2, 2024, for all hours compensated at the appropriate straight time and overtime rates.

FOR THE EMPLOYER:



Brenda Weber, Senior Vice President
Human Resources



Richard Arriola
Labor Relations Director



Fletcher Evans
Labor Relations



Bobette Laureano
Labor Relations

FOR THE UNION:



Rick Hicks,
Secretary-Treasurer Teamsters #174