

**COLLECTIVE BARGAINING AGREEMENT**  
between  
**MACY'S**  
and  
**UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 5**

**June 1, 2022 through May 31, 2025**

<b>Section</b>	<b>Title</b>	<b>Page</b>	<b>Section</b>	<b>Title</b>	<b>Page</b>
1	Recognition	1	22	Contributions to Charity	33
2	Definition of Executives	1	23	Record of Compensation	33
3	Union Membership	1	24	Fidelity Bond Premiums & Physical Examinations	34
4	Union Dues	3	25	Use of Automobile	34
5	Union-Company Relations	4	26	Demonstrators, Leased and Sub-Leased Departments	34
6	Shop Stewards	5	27	Discounts	35
7	Colleague Designations	6	28	Executive Selling Activities & Work Activities	36
8	Employment Date	8	29	Selling Supervisors, Working Supervisors, Rotators and Lead Colleagues and Ambassadors	37
9	Probationary Period	8	30	Specialists	37
10	Work Schedules	9	31	Sickness Pay Benefits and San Francisco Sick Pay	39
11	Overtime	16	32	Health, Life Insurance & Retirement	43
12	Meals and Breaks	17	33	Processing of Complaints and Disputes	44
13	Holidays	18	34	No Strike No Lock Out	45
14	Paid Time Off	19	35	Wages	46
15	Leaves of Absences	22	36	Separability	55
16	Jury Duty	24	37	Transfer and Removal of Work	55
17	Discipline	24	38	New Federal, State, County or City Law/Ordinances	56
18	Seniority	26	39	Length of Service Recognition	56
19	General Working Conditions	28	40	Pandemic/Epidemic	57
20	Assignment of Work	29	41	Term	57
21	Meetings	33		Appendix A (List of exclusions)	58

Section	Title	Page
	Appendix B - Department Suffix List	59
	Appendix C - Attendance Policy	64
	Appendix D - Leaves of Absence	68
	Appendix E - PTO for Associates Hired pre-2/1/15	78
	Appendix F - AGOA	82
	Appendix G - Grade Groups for Layoff, Reduction of Hours, or Recall	84
	Appendix H - Health, Safety and Security	85
	Letter of Understanding between UFCW Local 5 and Macy's	88

Section	Title	Page

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THIS AGREEMENT, made and entered into, by and between MACY'S, hereinafter referred to as the Company, and United Food and Commercial Workers Union, LOCAL 5, chartered by the United Food and Commercial Workers Union hereinafter referred to as the Union.

### **Section 1 - Recognition**

The Union is recognized as the sole collective bargaining agent for all of the Company's Colleagues employed at the Macy's Union Square Store except executives as defined in Section 2. (Definition of Executives) and for the classifications listed in Appendix A.

Work from any department covered by the terms of this agreement which moves from or is temporarily relocated from the Union Square Store to another location, within the Local 5 jurisdiction in the City and County of San Francisco, shall be covered by the terms and conditions of this Collective Bargaining Agreement, provided, the Colleagues remain on the payroll of the Company.

### **Section 2 - Definition of Executives**

An executive is defined as a Colleague having the duty and responsibility of directing the operation of a store, or a selling or non-selling department, or sub-division thereof, and who customarily and regularly exercises discretionary power and except for executives employed in an administrative capacity, must customarily and regularly direct the work of other employees and have the authority to hire and fire other Colleagues, or be a Colleague whose suggestions and recommendations as to hiring and firing, and as to advancement or promotion, or any other changes of status of the Colleague, will be given particular weight. See also Section 28.

### **Section 3 - Union Membership**

A. There shall be no discrimination by the Company against any Colleague or applicant on account of membership in or activity on behalf of the Union.

B. Those Colleagues who are members of the Union, or who become members, must continue their membership in good standing for the life of the present Agreement as a condition of employment. All Colleagues shall, within thirty-one (31) days following their employment, become members and maintain membership in the Union.

C. "Good standing," for the purpose of this Agreement, shall mean that the Colleague shall tender, in accordance with applicable law, the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.

The Union will send to the company, by noon each Monday, a list of Colleagues who they want terminated for non-payment of dues. Once this list is submitted, the names shall be non-revocable by the Union, and the Company will terminate effective Tuesday. However, in the event that a Colleague complies after the notice to the Company but prior to the termination, it is the Colleague's responsibility to provide this written verification from the Union to the Human Resources Representative prior to the termination. In such circumstances the Company will not terminate said Colleague. Colleagues terminated under this provision will have no right of re-instatement and such termination shall not be subject to the grievance procedure.

Notwithstanding the above, if the Union discovers within thirty (30) days after the discharge of a Colleague that the discharge was in error on the part of the Union, the Union shall so advise the Company, provide the Company with bona fide evidence that the termination demand was improper and the Company shall then reinstate the Colleague with full seniority on the first weekly schedule posted by the Company after being notified by the Union in writing, provided that the Company has a comparable job available. The Company shall not be responsible for any back pay during the time period when the Colleague was terminated, up to reinstatement.

The Company will allow the Union to deliver Union dues/fees delinquency letters to Colleagues during working hours. This action may only occur if the Union has made attempts to make contact with the Colleague via US Mail and phone messages, but have been unsuccessful in making proper notification with the Colleague. The Union will notify Labor Relations in advance, via email, the names of the Colleagues whom they plan to contact on the sales floor. The Union will not interfere with a Colleague's work duties or customer transactions. If the Company receives complaints from the Colleague or from customers about an excessive disruption, Labor Relations will meet with the Union to discuss a remedy.

The Union agrees to indemnify and hold the Company harmless in any and all claims and/or causes of action, which arise out of or are in any way connected with the Company's compliance with this provision.

D. The Company agrees to provide the Union monthly, via encrypted file, by the 10th of the following month, a list of all Colleagues working under this Collective Bargaining Agreement. This list will contain the Colleague's name, payroll I.D., full address, Macy's date of hire, Union seniority date (when administratively feasible by the Company), area and area suffix, job classification, base hourly rate, phone number and full-time/part-time designation. If such information is in a code form, the Company will provide a key to understanding the code. The Company is only responsible to provide the personal Colleague information contained on its payroll system and is not responsible for the accuracy of the information. Once a year, upon written request of the Union, the Company will furnish the Union with a list of all

bargaining unit Colleagues, and last year's gross earnings. This once a year list may only be requested after the information is compiled for federal income tax purposes.

The Company will provide a list of the seasonals and vendor specialists on the monthly seniority report.

The Union agrees to defend, indemnify and hold the Company harmless from any claim, loss, damage or judgment of any court of competent jurisdiction, or any agency of government, in connection with or arising from any loss, misuse or theft of Social Security numbers or other private and personal Colleague information provided to the Union pursuant to this section. Notice to the Union will be directed to the UFCW Local 5 Representative assigned to the Macy's bargaining unit.

E. The provisions of sub-section B shall apply to Seasonal store Colleagues, but their obligation after thirty-one (31) days of employment shall be expressly limited to the payment of an amount of money equal to the Union's regular and usual dues, plus a minimal administration fee. Seasonal Colleagues shall have no obligation to pay an amount of money equal to the regular and usual fees; including initiation fees, unless they are retained on the Company's regular roll at the end of their seasonal employment.

F. No Colleague in the bargaining unit shall be allowed to enter into any individual contract or agreement with the Company.

#### **Section 4 - Union Dues**

- A. Effective no later than February 1, 2015, the Company, on the first payday of each month, will deduct from the earnings of regular Colleagues, upon proper written authorization, such deductions as are certified to the Company by the President of the Union as due and payable as Union membership dues.
- B. Authorizations for deductions are to be entirely voluntary upon the part of each such individual Colleague who voluntarily executes a wage deduction authorization form. When filed with the Company, the authorization form will be honored in accordance with its terms. After all non-dues related deductions have been deducted from a Colleague's pay, should insufficient funds exist in a Colleague's pay to deduct dues, dues will not be deducted. The Union shall be responsible for collection of any dues not deducted by the Company.
- C. In order that the Company may have definite instruction as to the amount of dues and initiation fees to be deducted, it is agreed that the Union shall notify the Company in writing, over the signature of the Union President, of the amount of monthly Union dues to be deducted for each Colleague, and the Company shall have the right to continue to rely upon such written

notification as to the amount of monthly Union dues and initiation fees to be deducted until it receives another written notification from the Union signed with the same formality.

- D. The Company shall have no obligation to collect past due Union dues. The Company shall have no obligation to deduct or collect fines, assessments or financial obligations other than Union dues and initiation fees.
- E. The Company shall remit Union dues to the Union each month, no later than the twentieth (20th) of the month, following the month in which deductions are made.
- F. The Union agrees to hold the Company harmless from loss or damage from any judgment of a court of competent jurisdiction, and from any order of the Labor Commissioner, or other agency of government, in connection with or arising from any deduction made pursuant to this Agreement. Further, the Union agrees that the Dues Deduction authorization form signed by the individual Colleague will, for the term of the agreement, contain a “waiver and hold harmless” clause in the benefit of the Company.
- G. In exchange for the Company’s agreement to dues deduction, the Union expressly and unequivocally agrees that, following the expiration of this Agreement, the Company may unilaterally discontinue honoring the dues deduction arrangement agreed to in this Agreement, notwithstanding the Company’s statutory duty to maintain the status quo. The Union chooses to waive its post expiration statutory right to bargain over this mandatory subject of bargaining. Thus, it is agreed that upon expiration of the Agreement, the dues deduction provisions of this Agreement shall terminate, without any requirement that the Company notify and bargain with the Union relative to dues deduction.

#### **Section 5 - Union-Company Relations**

- A. In the interest of promoting a harmonious relationship mutually beneficial to the Company and the Union, the Company will inform all new Colleagues, except Christmas Colleagues, of their obligations under Section 3 (B) and (C) of this Agreement by providing a letter (prepared by the Union and approved by the Company) to the new Colleague explaining their obligations at the time a job offer is made. Each Colleague will be asked to cooperate with the Union and the Company jointly to carry out the terms of this Agreement. The Union agrees to provide the Company with 100 copies of the collective bargaining agreement once during the term of the agreement and if requested by the Company, to sell additional copies of the contract to the Company at the Union’s cost.
- B. The mutually agreeable system that has been worked out between the Company and the Union to permit the Union activities of receiving complaints and collecting dues during store hours shall be continued. It is understood,

however, that such activities shall be conducted at a reasonable time and so as not to interfere with the conduct of the Company's business or to interrupt or interfere unreasonably with the performance of work. It is recognized and agreed the Union Representatives may meet with Colleagues in the lunch areas of the stores provided the meeting does not become disruptive to other Colleagues in the lunch area and that these meetings are not intended to harm the reputation of the Company.

- C. Duly authorized representatives of the Union, not on the payroll of the Company, shall be permitted to visit the store during the hours Colleagues are working under the terms of this agreement. The Union agrees that it will not engage in disruptive activity and recognizes at all times the primary responsibility of the Colleague is to perform work for the Company and that such visits will not disrupt Colleagues from performing their responsibilities to the Company. The Union specifically agrees that it will not engage in Union dues collection in work areas or when the Colleague is on Company time except during an authorized break period.

It is understood that, in visiting non-selling areas where their members normally perform their duties, the Union Representatives will upon entering the store inform Loss Prevention of their presence and wait for Loss Prevention to notify the appropriate management representative. Nothing in the notification process is intended to delay the Union Representative's ability to observe working conditions and to ensure the terms of this agreement are being followed in these non-selling areas.

- D. The Company will provide bulletin boards in every facility. Facility shall be defined as a building with a separate Colleague entrance. The Union agrees it will not distribute literature within the Stores.
- E. The parties agree that in the event a Union Representative or the Company flagrantly violates the provisions of Section 5 B, C or D the parties will meet and confer in an effort to define and resolve the outstanding violation(s). In the event the parties cannot correct the violation(s) the Company or Union may submit the violation(s) to the mediation process. If the matter cannot be resolved through the mediation, the Company and the Union agrees to be bound by the decision and remedy of an arbitrator including reassignment to a non-Macy's facility.

### **Section 6 - Shop Stewards**

The Company agrees to recognize Shop Stewards as designated representatives of the Union.

1. The Company agrees to allow Shop Stewards up to two (2) days of unpaid leave a year for the purpose of receiving Shop Stewards training performed

by the Union. The training will be one (1) full day, but no more than, twice per year and will only take place during mutually agreeable days of the year. The Union agrees to provide the Company with 30-day notice of the training. The maximum number of Shop Stewards shall be equal to the number of floors in each of the Company's facility covered by the Collective Bargaining Agreement, with one assigned per floor.

2. The Union will notify the Company in writing of the names of any new Shop Steward prior to said Shop Steward assuming his/her duties.
3. The Union agrees to revoke any Colleague's Shop Steward designation who has been proven to engage in discourteous and/or unprofessional behavior in the exercise of their duties on two separate occasions, within a one (1) year period.
4. Shop Stewards shall have the authority to investigate complaints, intake grievance information and perform other duties as may be required from time to time by the Union. Such work shall be performed on the Shop Steward's own time and not during time while being paid by the Company.
5. A Shop Steward may meet with the Company in good faith attempts to resolve grievances, accompany Colleagues during investigatory or disciplinary interviews. In these instances, a Shop Steward will be paid for the time required to attend.
6. It is understood that all steward activities should be executed so as not to interfere with the conduct of the Company's Business or to interrupt or interfere unreasonably with the performance of work.
7. It is understood by the parties that the Union may compensate the Shop Stewards.

### **Section 7 - Colleague Designations**

For the purpose of this Agreement, Colleagues are designated as follows:

There is no intent to change any current conditions with respect to designation of Colleagues prior to implementation of online scheduling or for those not covered by online scheduling.

- A. **REGULAR FULL-TIME** - a Colleague who has completed their orientation period and who is regularly scheduled to work four (4) or five (5) days per week and between twenty-eight (28) and forty (40) hours a week (or any other full-time schedule option available in the on-line scheduling system) between Sunday and Saturday, consistent with the terms of the agreement. Regular Full-time associates must be available to work at least two (2) nights per week consistent with the terms of the agreement. Eligibility for Health Care benefits is determined consistent with Section 10 (Work Schedules:



Transition to on- line scheduling) and Section 32 (Health / Life Insurance/ Retirement).

- B. **REGULAR PART-TIME** - a Colleague who has completed their orientation period and who is available to work five days, and who is scheduled no less than twelve hours (12) and no more than twenty-nine and one-half (29.5) hours between Sunday through Saturday or other part-time schedule options available in the on-line scheduling system. Part time Colleagues must be available to work nights, including on the weekend, consistent with the terms of this agreement but will have the ability to indicate specific availability and preferences to create a “day” or “night” schedule during the week. All Colleagues must be available to work on the weekends (although may still indicate a preference not to work and/or may utilize “Unavailable Days”, consistent with the on-line scheduling system in place in the rest of the Company’s stores in California.)
  
- C. **FLEXIBLE WORK TEAM** - a Colleague who has no regularly scheduled hours but is required to work at least twenty-five (25) hours per month unless such twenty-five (25) hours are not available and must be available to work all weekends and Sale events in a month. The Company shall furnish a zero hour report for On-Calls to the Union on a monthly basis.
  
- D. **SEASONAL COLLEAGUES** - are those Colleagues who are hired either for Christmas or Summer Season work. The period of employment for Seasonal hires is set forth below:
  - 1. For Christmas Colleagues hired to work in all facilities of the Company, November 1st for Sales Colleagues and September 1st for Merchandise Handlers through December 31, but in no event later than January 15<sup>th</sup>.

For all Christmas Colleagues hired to work in the Trim-a-Home department, two (2) weeks prior to the opening of the Trim-a-Home department for Sales Colleagues and by no earlier than the second week in August for Merchandise Handlers through the Winter Inventory period, but for both Sales and Merchandise Handlers in no event later than February 1.

The Company will make available three (3) full time Merchandise Handler positions to be posted for selection by seniority, by regular part-time Merchandise Handlers. These three (3) positions would be for the duration of the set-up and into the openings of the shop, but no later than the first week in January. Should the amount of available work in the Trim-a-Home shop not require any or all of the three (3) full time positions, the positions would end and the Colleague would revert back to their existing regular part time position.

2. Summer Season Colleagues are those Colleagues hired to work for the period from May 1<sup>st</sup> through August 31<sup>st</sup>. Summer Seasonal Colleagues may be scheduled in two independent time frames within this time period, but no more than 60 days in total, the Company agrees to give thirty (30) days' notice to the Union prior to use of summer seasonal Colleagues. Summer Seasonal Colleagues may only be hired as Cashiers or Recovery. Company agrees to post Seasonal Supervisor positions.
  3. Training for Seasonal Colleagues may begin prior to the dates noted above. Such training shall not exceed sixteen (16) hours. The Employment date for such Seasonal Colleagues shall be the first day of assignment on the floor.
  4. The Company agrees prior to hiring Seasonal Colleagues to request the availability of Regular Colleagues to work additional hours, including willingness to work over 40 hours/ week if needed. Colleagues will also have their schedule of hours expanded to the maximum range within their scheduling option during the holiday season. Prior to the assignment of Seasonal Colleague schedules, the Company agrees to assign additional holiday hours to Regular Colleagues when and where applicable.
- E. When the Company uses temporary employment agency Colleagues it will notify the Union, require the employment agency to pay the Colleague the applicable contract rate of pay and require the Colleague to join the Union if the temporary assignment lasts longer than thirty-one (31) work days for store temporaries. If any Agency Colleague assignment lasts beyond thirty-one (31) working days for store temporaries, the Agency Colleague must become a regular Colleague. Said Temporary Agency Colleagues will be required to follow Section 3 in regards to payment of Union dues and fees if their assignment lasts thirty-one (31) working days or more for store temporaries, and three months for clerical temporary workers. Upon request of a representative of the Union, at a mutually agreeable time the Union representative may review invoices from the Employment Agency.

### **Section 8 - Employment Date**

It is understood that, in the application of this Agreement, a Colleague's employment date shall date from the beginning of his employment with the Company and not from the signing of this agreement. Said employment date shall remain unchanged unless continuity of employment is broken pursuant to the provisions of Section 18 (Seniority).

### **Section 9 - Probationary Period**

All newly hired Colleagues shall serve a probationary period of ninety (90) days from their most recent date of hire. During their probationary period Colleagues

may be terminated with or without cause without recourse to the grievance procedure.

### **Section 10 - Work Schedules**

- A. Scheduling of Colleagues shall be in accordance with the Company's online scheduling system, currently known as Online scheduling, as it is applied to a majority of Macy's stores in the Company. The Company agrees that the online scheduling system is not designed or intended to reduce full-time Colleagues.
- B. Daily and weekly work schedules, including minimum hours for Colleagues in full-time and part-time positions will be determined by the Company, with consideration to availability and preference features that are included in the Company's scheduling program, with the following minimum standards:
- All Colleagues to choose a full N/A day off (Mon-Thurs), with any conflicts resolved by seniority, and FT Colleagues may choose one additional morning and one additional evening off (not on the same day).
  - Colleagues hired before June 1, 2014 with a historical base day off of Fri, Sat, or Sunday will continue to have that day off and will be allowed to make it their N/A day at their first MSP sign-up. If a Colleague has more than one historical base day off, they must declare which of those three days will be their N/A day going forward. (1 day/week allowed per Colleague).
  - No less than two weekend days off per month, January through October. MSP will allow all Colleagues three (3) unavailable days per month (except for December) two of the three may be used to create a weekend off each month. Additional weekends off can be secured by utilizing PTO or associates may utilize self-service options and/or preferences for other weekends.
  - Colleagues are expected to use all pre-planning and self-service scheduling tools available to manage their schedule needs. In the event that requests for weekend days off or holidays cannot be accommodated amongst Colleagues within the staffing zone, it will be resolved by seniority within Full Time, Part Time and Flex Team classifications.
  - The cadence/order for pick-up of additional hours and the utilization of self-service tools is as follows, except during the Christmas Holiday season when schedules may be released in advance of 14 days and viewable at the same time to all Colleagues Friday a.m. and continuing up to 2 hours before a shift starts- FT Colleagues see their schedule 14 days out and at that point may pick up additional shifts, swap shifts.

- Sat a.m. and continuing up to 2 hours before a shift starts- PT Colleagues see their schedule 14 days out and at that point may pick up additional shifts, swap shifts.
- Sun a.m. and continuing up to 2 hours before a shift starts - Flex team Colleagues see their schedule 14 days out and at that point may pick up additional shifts.
- For clarity, Colleagues who do not want additional hours and do not want to make any changes to their schedule do not have to do anything when the schedules come out. They may simply accept the schedule “as is” (which will honor their previously–identified N/A day, any other Availability choices they may have made, pre-approved PTO, and any Unavailable Days they have submitted). No changes to the “as is” schedule can be unilaterally made by the Company.
- For all PT Colleagues (option 4), they can use their availability to select any of the following:
  - Up to 4 full days off Mon-Thursday (creating a weekend-only job)
  - Up to 4 nights off Mon-Thursday (creating a day-short type job)
  - Up to 5 mornings off Mon-Friday (creating a night-only type job)
  - Or any combinations of the above.
- The only requirement is to be available Friday night, and all day Saturday and Sunday. All PT Colleagues have the same ability to use three Unavailable Days/month (except December), utilize preferences and self-service tools, etc.
- No less than the option of electing two regular mornings off (Monday through Friday) and one regular evening off (Monday through Thursday).
- Selection of morning and evening off may be the same day, Monday through Thursday, creating a set day off (or “N/A day”) every week for the season.
- Colleagues may select their regular morning and evening off each season. In the event that requests cannot be accommodated amongst Colleagues within the staffing zone, it will be resolved by seniority within Full-Time, Part Time and Flex Team classifications.
- In addition to the period between the week of Thanksgiving through the week of Christmas, the Company may also block out Company-wide Key Days during which PTO will not be automatically approved, and during

which Unavailable Days will not be allowed, up to a maximum of 15 days beyond the holiday weeks noted above. [Note: Big Ticket is generally excluded from Company-wide Key Days]. Each family of business and/or Cosmetics line may also block certain Exception Days from PTO, but Unavailable Days will be allowed on those days. If a Colleague has scheduled his or her vacation to commence or end immediately before or after their unavailable day and before one of the "key days" has been announced, that Colleague will be granted that unavailable day.

- The "Advertise My Shift" function will become available to use no later than the Tuesday following the schedule release.
  - Key dates (dates when either all Colleagues must be available or dates when Colleagues in a specific department must be available) will be provided to the Union prior to the beginning of each season. Flex work Colleagues may be assigned to work key days at the time of schedule release.
  - The utilization of key days by the Company will not restrict the ability of Colleagues to take a full week of PTO during the first three fiscal quarters. In the event multiple submissions are made for the same weeks, approval shall be granted in seniority order, as business allows.
  - No Colleague shall be required to work a 10 hour shift. Voluntary 10 hour shifts will be offered and may be picked up using self-service.
- C. Colleagues are responsible to monitor their average hours worked to insure they are meeting the 30 hours benefits eligibility to medical benefits. It is the obligation of the Colleagues to pick up additional shifts to maintain full-time benefit eligibility and the Company will not limit their ability to do so. If it is determined that there are mitigating circumstances such as no available hours to select through the Company's on-line scheduling system, the Colleague will not lose coverage.
- D. The scheduling options, hours and shifts of the Company's scheduling system are defined in the Associate Guide to Options and Availability (AGOA), page 2, under the column titled, "Hours/Shifts", in Appendix F. The Company agrees to notify the Union 30 days prior to the implementation, of any significant changes to the balance of the AGOA that would apply to the Union Square store. Prior to a change of the AGOA, the Company agrees to the implementation of a Labor Management committee to discuss and negotiate the effects of any change to the AGOA, prior to its implementation.
- E. While the Company retains the right to determine Colleague schedules and features of the scheduling program, subject to the terms of this Agreement. The Company will give full consideration to individual and store scheduling concerns brought to their attention by the Colleagues or the Union and shall not arbitrarily or capriciously reject them.

F. Should there be an inadvertent conflict between the language of this Section 10, A-E, and other language of this Agreement; the parties will meet to resolve the conflict.

Unless voluntarily agreed to by the Colleague, the maximum straight-time work week shall consist of forty (40) hours, to be performed within five (5) days, between Sunday through Saturday, both inclusive, except as otherwise modified by the terms of this Agreement. The maximum straight-time workday shall consist of eight (8) hours each workday.

### **Job Posting**

Job postings will be posted for no less than five (5) days, including a Saturday. Interviewing for the posted open position(s) may begin on the 2nd day of the posting; however the final selection may not be made until after the fifth (5th) day of posting. All Colleagues who apply will be interviewed. Open positions not filled within 45 days of initial job posting must be reposted prior to filling. Unless an active interviewing process is still occurring, such as an Executive who still has candidates to interview from the initial job posting, but the 45 days will expire before the interview process is complete.

When a Colleague with less than 15 years of service (based on Union seniority date), bids on a new job with a pay grade higher or lower than the one the Colleague currently occupies, and is offered the new position, the Colleague is paid at the pay rate commensurate with the new grade, regardless of whether it is higher or lower than the currently pay grade.

Job posting notices shall include job title, grade classification, wage rate, brief job description, minimum qualifications for the position, the designation as described in Section 7, and the minimum and maximum hour allotment. For support positions the base schedule will include days of work, initial shift and set day(s) off. For Selling positions that utilize on-line scheduling, the type of schedule option will be included. Positions will be posted in two locations mutually agreeable between the Union and Company and they will also be posted in the online system which will represent the official posting.

Regular Support Colleagues shall have a base scheduled hour allotment (with days of work, hours, and days off) each week, but may be scheduled to work additional hours or days as required by the Company, or by Colleague self-service, consistent with the terms of this Section 10. In all cases the Company retains full discretion to determine the set schedule hour allotment in any department or to eliminate any such schedules, so long as such action is not in conflict with agreement.

For Colleagues hired prior to online-scheduling implementation only, the Company will provide the additional transitional options of: 40 hours, 37.5-40 hours, 30-32 hours and 20 hours. These options will not be available for new hires.

Consistent with Section 32, Health/ Life Insurance/ Retirement, the Company will implement the annual “look-back” process for maintaining Benefit eligibility, All Colleagues will need to meet the 0 average hour’s criteria to maintain Health benefits, consistent with Section 32.

The parties previously produced a list of associates who have been grandfathered for full-time medical benefits at levels lower than the current requirement of 30 hours. Such Colleagues will continue to be grandfathered, provided they continue to average their requisite number of hours. If such Colleagues fall below their grandfathered level under the Company’s look-back process, they may be removed from benefit eligibility.

Schedules will be posted no less than 14 days prior to the start of the scheduled week, and if there are additional hours or days unassigned, each Colleague within the department will have the opportunity based on their Full Time, Part Time or Flexible Work Team (FWT) status, to select any unassigned shifts, provided the selection does not exceed eight (8) hours in one (1) day or forty (40) hours in one (1) week, unless such hours beyond 8/day and 40/week are voluntarily accepted. Once a Colleague is eligible to pick up additional hours (based on their FT/PT/FWT status), they may continue to pick up additional hours until two hours preceding any shift, provided the additional hours or days does not result in overtime without the prior permission of the Company. If there are insufficient volunteers for the unassigned hours or days, including shifts or days substituted, the Company shall schedule by inverse seniority from those departmental Colleagues whose schedules do not conflict with the available hours or days. It shall be in the Company’s discretion whether such hours or days go unfilled. Regular Colleagues shall be scheduled to work, on a voluntary basis, six (6) days in a pay week at straight time, consistent with the provisions of the California Labor Code and the State of California Industrial Welfare Commission Orders.

### **Final Schedules**

Finalized schedules shall be posted pursuant to the San Francisco Formula Retail Ordinance.

Changes to the finalized schedule must be mutually agreeable between the Colleague and the Company. For support Colleagues, changes made to the finalized schedule made between the day of posting and day of work shall be offered by seniority and then assigned by inverse seniority, provided the additional hours or days do not result in overtime without prior permission of the Company. For sales Colleagues, changes after the 14 day posting period may only be made by the Colleague, with the exception of the Flexible Work Team (FWT) who may be assigned to fill open hours, once full time and part time associates have had an opportunity to pick up those additional hours. Any hours that remain open or become open after the 14 day scheduling posting will be filled via the on-line pick-up system and/or the assignment of the FWT. If the Company

provides additional weeks of notice for schedules, the additional notice period shall apply to this bargaining unit.

In cases where Colleague absence or unplanned customer service needs result in the loss of floor coverage or an impairment in business operations, Colleagues who are available and willing to work beyond their schedule may be scheduled to work these additional hours, by seniority among the Colleagues working that day. If the Company becomes aware of a business need and provides notice by 6 p.m. the preceding day of such a business need, the hours will be offered by seniority to those associates in the department the day the hours become available and then if there are insufficient volunteers, the Company may schedule by inverse seniority from those working that day. It shall be in the Company's discretion whether those hours or days shall go unfilled.

G. The daily schedule of hours for all Colleagues will be no less than three (3) hours in half-hour increments. The Company will limit such three (3) hour schedules to only the part-time schedules in the evening. Three (3) hour schedules will not be used in the Furniture, Mattress, and Carpet Departments.

When the store is open for over-night sales, the Company will first seek to fill sales and support shifts with volunteers and seasonals. Only if additional staff is needed beyond volunteers and seasonals, inverse seniority will apply.

H. Other than the provisions of this section, no designation of any type of Colleague in the Agreement shall be understood to guarantee any fixed amount of employment. A Colleague schedule to work a number of hours per week in addition to their base hours for three (3) consecutive months which will qualify them for a new designation will have their base hours adjusted to the new designation as provided for in Section 7 - Colleague Designations and in Section 10 - Work Schedules for MSP Options. Exceptions to this provision are: additional hours of work during the Christmas Season and in cases where Colleagues are covering leave of absence for defined periods of time.

I. No Colleague shall be required to work a shift extending for a period in excess of eight (8) hours and forty-five (45) minutes, where a forty-five (45) minute meal period is taken, or nine (9) hours where a one hour meal period is taken, without the payment of overtime.

J. Colleagues covered by this Agreement shall not be required to report to work unless there has been a lapse of at least ten (10) hours between the end of their last work day and the commencement of their next work day, except where agreeable between the Company and the Colleague and/or if the Colleague self-selects such shifts, in which case the associate would not be eligible for additional payment under this section. Should the Company schedule or require a Colleague to work a schedule wherein the Colleague does not receive the ten (10) hour lapse, the Company will be required to compensate the Colleague at time-and-one-half for the entire shift.



- K. Colleagues may voluntarily exchange scheduled days from their schedule with another Colleague in the department so long as the exchange does not involve payment of additional premium. If the employment of either Colleague involved in the exchange goes off-roll, the Company shall have the discretion to restore the original schedule for the remaining Colleague. Such voluntary schedule exchange shall not be subject to a grievance by other Colleagues in the department. If during the life of this agreement, the Company wishes to put into operation a new scheduling system, the Company will notify the Union within 15 days of implementation to discuss what, if any, impact the change in scheduling system will have upon the existing agreement.
- L. Seven (7) days' notice will be given to the Colleague and the Union before laying off Regular Colleagues.

For Colleagues during their Orientation Period or Seasonal Colleagues notice will be given twenty-four (24) hours prior to layoff or by the end of the preceding workday, whichever is shorter.

The layoff notice may be shortened in cases of emergency or where a shorter period of notice is mutually agreeable. Notice given in the first two (2) hours of the start of the scheduled day three days before the lay-off is to begin will be considered timely notice.

- M. The following provisions shall apply only to Merchandise Handlers:

1. Other than through attrition (voluntary resignations and/or terminations other than layoff), beginning on March 4, 2023, the Company may reduce full-time benefit eligible Merchandise Handlers to no less than forty-five (45) total. Thirty-five (35) of which shall be scheduled no less than thirty-seven and a half (37.5) to forty (40) hours per week. Ten (10) may be scheduled no less than thirty (30) hours per week. [Note: The Letter of Understanding attached to this Memorandum of Understanding provides the methodology to reduce the number of Merchandise Handlers from the contractual eighty-five (85) to forty-five (45)].

The principle of seniority shall prevail when filling merchandise handling vacancies, where, in the judgment of the Company, merit and ability are equal, consistent with Section 18. When a vacancy is filled, if the Company believes that the next most senior bidder on the list will be determined to not be suitable for the next vacancy, said Colleague will be provided feedback on how to develop the skills and abilities needed to be a successful bidder for the next or future vacancies.

2. "Extended hours" for the merchandise handlers shall include all work beyond one (1) hour past the scheduled shifts/coverage. "Extended hours" shall be offered first by seniority by Manager, then by floor, then by total building seniority. In the event no one volunteers, extended hours will be

assigned first by storewide seniority then by inverse seniority then by floor seniority.

3. The “Affected” Merchandise Handlers as of the date of ratification of this Agreement as defined by the “Angelo” decision shall not be required to work more than five (5) out of eight (8) Saturdays.

4. The Company agrees to layoff by “Burns” list seniority prior to reducing any base hours of merchandise handlers.

5. Night processors (Grade F1BN) are Support Colleagues whose primary duties are performed at night and during the early morning. Night processors primary duties shall be to process new merchandise other than furniture, rugs and mattresses, but may also be assigned to perform regular stock functions on a limited basis as needed. No Colleague working day shifts will be displaced into a night processing position, unless they request to do so.

N. Except during the Christmas period, no less than fifty (50%) of the number of sales Colleagues on roll shall be classified as full-time. The remedy for violation of this section shall be to hire as soon as practical to the level necessary to maintain the 50% full-time head requirement.

O. The leased vendor will have the flexibility to administer work schedules that align to either MSP or a fixed base schedule.

P. In the event a location may need to close or delay in order to accommodate an emergency condition, such as inclement weather (e.g., snow, hurricanes, flooding, etc.) or other emergencies (e.g., earthquakes, damages to a facility, or fires) the Company will provide Reasonable Notice of the closure to Colleagues who are scheduled to work during the day(s) when the location is closed, or delayed opening is required. Notice will be provided by the Macy’s Inc. Business Resilience Group, who will post a communication on MyInsite, push a text message to those Colleagues who opted in or email to Colleagues who have provided and a message on 1-877-INFO-337 (1-877-643-6337). Once this communication is posted, a “special emergency” message will appear at the top center of the [employeeconnection.net](http://employeeconnection.net) homepage.

1. Reasonable notice is considered two (2) hours’ notice or more from the time [employeeconnection.net](http://employeeconnection.net) is updated or text or email have been sent to Colleagues with the closure information. When reasonable notice is not sent, or not sent within two (2) hours the Colleague will be paid for the entire shift.

### **Section 11 - Overtime**

A. Overtime pay shall be compliant with City & County of San Francisco and California state wage and hour laws, which currently provides as follows as of 2014 ratification:

One and one-half times the straight-time rate of pay for:

1. Work in excess of eight (8) hours per day.
  2. Work in excess of forty (40) hours per week.
- B. Overtime for Colleagues working on a commission basis, where they are paid a percentage of sales after they have earned their guarantee (the Colleague's straight-time hourly rate of pay multiplied by the number of hours worked during the commission period), shall be computed by adding only the straight-time portion of overtime earnings to their guarantee. The premium portion of such overtime will be paid in addition to commission earnings.
- C. There shall be no pyramiding of overtime or premium pay.
- D. Colleagues may work overtime only when previously authorized by Company.

### **Section 12 - Meals and Breaks**

- A. All Meal and Break policies shall be compliant with City and County of San Francisco, California state and federal wage and hour laws, and Company policy which currently provide as follows as of 2014 ratification:

The meal period for those Colleagues working a six (6) hour schedule shall be thirty (30) minutes. The meal period for all full-time Colleagues, including those Colleagues working a seven (7) hour schedule, shall be forty-five (45) minutes unless a lesser time period, not less than thirty (30) minutes, or a greater time period, not more than one (1) hour, is mutually agreed to. The meal period shall be scheduled between the second (2nd) and fifth (5th) hour from the start of the Colleague's straight-time work schedule; however, on the two inventory days, lunches may be given any time prior to the fifth (5th) hour provided it is mutually agreed between the Company and the Colleague.

- B. All Colleagues, except those on a three (3) hour schedule, shall receive a fifteen (15) minute rest period for each four (4) hours' work, or major fraction thereof, up to a total of two (2) fifteen (15) minute rest periods per eight (8) hour schedule, or per a seven (7) hour schedule, if desired by the Colleague. Colleagues working a six (6) hour schedule shall receive two (2) fifteen (15) minute rest periods.
- C. The Company will try, whenever practicable, to schedule rest periods in advance. Colleagues are expected to take their rest periods.
- D. Regular Colleagues shall receive time and one half pay for work performed in excess of five (5) hours from the beginning of the workday without a lunch period, unless the Colleague's workday is completed in six (6) hours or less. All sales transactions are to be completed at the time the person is due to go

to lunch or at the scheduled quitting time, without the payment of overtime as provided above.

### **Section 13 - Holidays**

- A. The following holidays shall be observed for all Regular Colleagues effective the first of the month, following six months of service: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas.

All Regular Colleagues, on roll for 9 months (shall be paid Holiday premium (one and a half times straight hourly pay) for hours worked on the Holiday, so long as the Colleague works their scheduled hours on the working day prior, the working day after, and on the respective holiday. Colleagues on payroll prior to January 2, 1985 shall be paid two times straight hourly pay for all hours worked on a holiday.

- B. For support Colleagues not on MSP, work on a holiday will be offered to volunteers first based on seniority. If there are insufficient volunteers for the holiday work assignments, the Company shall schedule and assign the holiday work by inverse seniority. In no event shall the holiday work go unfilled. For Sales Colleagues, schedules will be produced using MSP and Colleagues should use their self-service tools in order to pick up a shift to work on the holiday if not scheduled or to advertise their scheduled shift on a holiday should they chose to not want to work. If a senior Colleagues in the department is unable to give away their shift by Wednesday prior to the holiday and they do not want to work on the holiday, based on business needs the manager may remove their shift from their schedule.

When a holiday falls on Sunday, it shall be observed on the following Monday.

- C. Colleagues must work their scheduled hours on the working day prior and the working day after the Holiday in order to receive Holiday pay. Such Colleague shall be deemed to have worked their schedule if the absence on the working day before and/or after the holiday is with the express written permission of the Company or due to a bona fide illness. If absent on the day prior and/or after the holiday illness the Colleague must have worked at least one day in the calendar week the holiday falls in order to receive Holiday pay. Where absenteeism has been excessive, the Company reserves the right to request that a Colleague provide a doctor's note to verify the bona fide illness in order to qualify for holiday pay. Eligible Colleagues laid off the day prior to or the day after the holiday shall receive the holiday pay.
- D. Colleagues with at least four (4) weeks' notice to the Company prior to schedule issuance will be given the opportunity to use one of his or her PTO days for the celebration of Martin Luther King Day.

- E. Holiday pay will be paid based "average daily hours" consistent with the Paid Time Off section. "Average daily hours" shall be calculated by dividing the number of hours paid in the prior calendar year by the number of days paid in the prior calendar year.

Colleagues hired for the Holiday Season or on-call Colleagues shall not be entitled to holiday pay under the terms of this agreement.

Colleague's holiday pay calculation shall be calculated by multiplying 1.92% of the previous calendar year gross earnings to obtain the weekly amount and dividing that amount by the Colleagues base days in the week to obtain a daily rate of pay. Gross earnings shall be defined as all monies paid including salary, vacation, commissions, spiffs, pre-tax health and pre-tax savings plan contributions. Gross earnings shall not include State Disability Insurance, other insurance payments including Workers Compensation or Vendor spiffs.

Colleagues without a full calendar year of employment will receive their base rate until they have worked one calendar year. Gross wages will include the Company's portion of the sick pay.

- F. A regular Colleague shall not be scheduled to work more than four (4) days, excluding the holiday, in the holiday week. Colleagues may be scheduled off additional days in a holiday week on a voluntary basis.
- G. In no event will holiday and/or vacation pay be charged against commission earnings.

#### **Section 14 - Paid Time Off**

Earning/Accruing Paid Time Off ("PTO") - applies to all Colleagues.

The Paid Time off year will be fiscal February thru fiscal January of each year. Colleagues will accrue their paid time off during the same fiscal year in which they use it [1/52 each week worked].

Any accrued but unused PTO may be carried over from one fiscal year to the next, provided that a Colleague's total accrued PTO is capped at two times the Colleague's maximum annual PTO benefit (consistent with California requirements). Once the cap is reached, the Colleague stops accruing PTO until s/he uses PTO, bringing his/her accrued but unused PTO below the cap.

The number of PTO hours per day is based on the average hours paid per day the prior calendar year. Average Hours paid per day in the prior calendar year is calculated by dividing the hours paid in the prior calendar year by the days paid in the calendar year, up to a maximum of 10.0 hours/day.

Vacations shall be granted between February 1<sup>st</sup> and January 31<sup>st</sup>, or the nearest fiscal year. Should a conflict in vacation selection arise, seniority will prevail,

provided the conflicting requests were filed within 2 weeks of each other. For the months of February through October, if the department is staffed with 14 or less Colleagues at least one (1) may be granted a week of vacation; if staffed with 15-24 Colleagues at least two (2) may be granted a week of vacation and if more than 24 at least three (3) may be granted a week of vacation. Thereafter for every additional ten (10) Colleagues per department or area at least one (1) additional person may be granted a week of vacation. For the period of November 15<sup>th</sup> through the January inventory, the Company may determine the number of departmental Colleagues, if any, who may be on vacation at any one time, dependent on the staffing and business interests of the Company. Vacation shall not be scheduled in an arbitrary or capricious manner.

**Eligibility for PTO - applies to all Colleagues.**

To be eligible for PTO, Colleagues must have:

- six months of service as of the beginning of the fiscal year; and
- been paid an average of 15 or more hours per week the preceding calendar year [Hours paid divided by weeks paid]. Weeks during which a Colleague was on an approved LOA [or began an LOA] are excluded entirely from the calculation so that Colleagues are not disadvantaged in terms of eligibility for PTO if they have a need to take an approved leave of absence.
- should a regular Colleague be under the 15 or more hours eligibility requirement, they will be eligible for PTO, but at a prorated amount.

Colleagues receive credit for reaching a new “years of service” threshold in advance i.e. If a Colleague will reach 25 years during the upcoming fiscal year, s/he is granted the amount of PTO that applies to 25 years of service on the preceding fiscal 2/1.

**Taking PTO - applies to all Colleagues.**

Colleagues may take their daily PTO in hours [3.0 - 10.0 hours per day] regardless of whether they are Full-Time or Part-Time, and may take PTO in excess of their normal week if they choose [i.e. Colleague who works 20 hours, has 2 weeks of PTO, may take all 40 hours in one week if they choose].

If a Colleague changes their status during a PTO year, it has no impact on that current year’s PTO, but may have an impact on the next year’s PTO due to the annual recalculation of average hours paid. This works both ways (i.e. full- time to part-time and vice versa).

The Company will communicate periods when business needs warrant limited usage of PTO.

PTO Requests made by Selling Colleagues within the 2-4 week window should be addressed through self-service tools, but if a Colleague has an important personal

PTO need there are a variety of self-service tools available that could help the Colleague. In the event that self-service does not work, the Colleague may seek and receive approval, in unique circumstances, to utilize a PTO day without utilizing an attendance credit. Such exceptions will be granted at the discretion of the Company, and will, if necessary, be granted in seniority order, within no less than two weeks' notice and depending on needs of business. The granting of exceptions will not be withheld arbitrarily or capriciously.

For Colleagues hired on or after February 1, 2015 only:

Amount of PTO Days Available to each Colleague hired after 2/1/15.

The number of days of PTO is based upon the average number of days paid the prior calendar year which is calculated by dividing the number of days paid by the number of weeks paid.

- If a Colleague was paid an average of 4.5+ days/week, their entitlement is based on 5 days.
- If a Colleague was paid an average of 3.5 - 4.4 days/week, their entitlement is based on 4 days.
- If a Colleague was paid an average of 2.5 - 3.4 days/week, their entitlement is based on 3 days.
- If a Colleague was paid an average of 1.5 - 2.4 days/week, their entitlement is based on 2 days.

Service	Maximum Annual PTO Benefit for Associates who Average			
	5 Days/Week	4 Days/Week	3 Days/Week	2 Days/Week
6 mos. - 1 year	8 days	6 days	5 days	3 days
2 - 4 years	10 days	8 days	6 days	4 days
5 - 9 years	18 days	14 days	11 days	7 days
10 - 14 years	20 days	16 days	12 days	8 days
15 - 24 years	25 days	20 days	15 days	10 days
25+ years	30 days	24 days	18 days	12 days

- Pro-rated PTO for new Colleagues hired on or after 2/1/15: If a Colleague does not have six months of service as of the first day of the fiscal year or is hired during the PTO year, they will receive a pro-rated PTO entitlement the first of the month following/coincident with six months service if they had been paid an average of 15 or more hours per week during the previous 90 days. If they don't meet this criteria, they will be eligible the following fiscal year if they meet the regular criteria. See chart immediately below.

		Initial Paid Time Off Benefits for Associates with six (6) months of service and who were paid a minimum average of 15 hours per week during the 90 days prior to their PTO Date			
Hire Date	PTO Date	5 Days/Week	4 Days/Week	3 Days/Week	2 Days/Week
July	February	8 days	6 days	5 days	3 days
August	March	7 days	6 days	4 days	3 days
September	April	7 days	6 days	4 days	3 days
October	May	6 days	5 days	4 days	2 days
November	June	5 days	4 days	3 days	2 days
December	July	5 days	4 days	3 days	2 days
January	August	4 days	3 days	2 days	2 days
February	September	3 days	2 days	2 days	1 day
March	October	3 days	2 days	2 days	1 day
April	November	2 days	2 days	1 days	1 day
May	December	1 day	1 day	1 day	1 day
June	January	1 day	1 day	1 day	1 day

For Colleagues hired prior to February 1, 2015, please see Appendix E.

Waiver of San Francisco Paid sick Leave Ordinance.

- a. The parties to this Collective Bargaining Agreement agree to the fullest extent Permitted, this agreement shall operate to waive any provisions of the San Francisco Paid Sick Ordinance, San Francisco Administrative Code Section 12W, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written and/or amended during the life of this agreement.

### **Section 15 - Leaves of Absence**

- A. Except to the extent this agreement or applicable State or Federal law provides greater benefits, leaves of absence shall be granted in accordance with the Company's policies governing such leaves. These policies, including the Company's policies pursuant to the Federal Family and Medical Leave Act, California Family Rights Act and California's Pregnancy Disability Leave Act, Personal Leave and Bereavement Leave, are described in the Macy's Associate Guide and associated policies, the 2014 sections of which are contained in Appendix D to this agreement.
- B. Leaves of absence for reasons other than those listed in Appendix D:

Reasonable unpaid personal Leaves of Absence shall be granted to all Regular Colleagues with a minimum of six (6) months of service, with the exception of On-Calls at the discretion of the Company and where so granted, shall be in writing. Colleagues taking a Leave of Absence shall be assured of return to the same job and schedule, as long as the leave of absence is no longer than



two (2) months, without loss of seniority provided the Colleague returns to work on the scheduled day after the leave expires. This provision may only be utilized once per calendar year. In the event that the leave of absence is longer than two (2) months, the Colleagues taking a Leave of Absence shall be assured of return to the same job classification and work schedule without loss of seniority provided the Colleague returns to work on the scheduled day after the leave expires. The maximum period of personal leave shall be:

1. For Eligible Colleagues with six (6) months continuous service but less than one (1) year a maximum of two (2) weeks unpaid leave;
  2. For eligible Colleagues with one (1) year of continuous service but less than five (5) years one (1) month leave;
  3. For Colleagues with more than five (5) years of service eight (8) weeks.
- C. All Colleagues, except Christmas Colleagues and orientation period Colleagues will be entitled to no less than three (3) working days of leave of absence for death in the immediate family without loss of pay.

For deaths or services that occur out of state a Colleague may be entitled to an additional two (2) unpaid days off.

Compensation for said leave shall be at average earnings as computed in Section 13-D and the Colleague shall be granted no less than three (3) days pay. The immediate family shall consist of the Colleague's spouse, children, mother, father, mother-in-law, father-in-law, sister, brother, roommate, stepparents, grandchildren, grandparents and domestic partners.

- D. All Colleagues, except Christmas Colleagues and orientation period Colleagues will be entitled to forty-five (45) minutes paid time off to observe religious holidays. This may be combined with lunch period, if requested.
- E. All Colleagues, who fail to return to work on the next scheduled working day after the expiration of any leave of absence granted under this Section 15, shall be deemed to have voluntarily resigned as of the end of the leave, except in cases of verifiable, unplanned inability to return on the scheduled return date. The Company agrees to notify all Colleagues of this provision prior to granting their leave of absence.
- F. The Company agrees not to act in an arbitrary or capricious manner in considering the requests for leave of absence. The period of time may be extended at the discretion of the Company for compelling personal reasons. Grievances regarding this section shall be processed in an expedited manner.

## **Section 16 - Jury Duty**

- A. Regular Colleagues who are required to serve on court mandated jury duty shall be granted leave with pay for their lost earnings as a result of such required jury service. Lost earnings will be calculated by paying, at the individuals average hourly rate as computed in Section 13-D for those hours they are actually scheduled to be present for jury duty, up to the Colleague's maximum scheduled work hours in a given day or week.
- B. Colleagues must notify their Human Resource Manager as soon as practicable concerning their being called to jury duty. No compensation is owed by the Company without prior notification by the Colleague.
- C. It is understood that a Colleague is required to contact their supervisor, daily and if requested to report to work for any part of his/her scheduled workday, provided appearance in court ends prior to the end of their shift and, after commute time, have at least one-half of their shift or more remaining.

If the combined time spent in jury duty and work for the Company exceeds eight (8) hours in one day, the Colleague is not required to work those scheduled hours which exceed the combined eight (8) hours per day. It is further understood that if the combined time of jury duty hours and work for the Company hours exceeds forty (40) hours per payroll week, the Colleague is not required to work those scheduled hours which exceed the combined forty (40) hours in the payroll week. In either, the excess of forty (40) combined hours per payroll week or eight (8) combined hours a day situation, the Colleague must notify their manager of their status as soon as possible if they desire to reduce their work schedule consistent with the above. When Colleagues are assigned to jury duty, and where a combination of jury duty and scheduled work exceeds five (5) days, Colleagues may take a paid vacation day for any scheduled day(s) lost in that work week.

- D. A Colleague may work those scheduled hours which may exceed the combined eight (8) per day or forty (40) per week situation if mutually agreed upon by the Company and the Colleague. In no event shall such hours be considered overtime pursuant to Section 11 (A) of this Agreement, unless and until the Colleague's work for the Company exceeds eight (8) hours per day or forty (40) hours per payroll week.
- E. To be paid by the Company for such leave, the Colleague must submit to the Human Resources Department written proof, executed by the court administrator, of having served, where possible the actual hours served and the duration of such service, prior to being paid for such service.

## **Section 17 - Discipline**

- A. The Company shall have the right to discharge any Colleague for just cause. A Union representative must be present at the time of discharge except

where the Colleague designates in writing they do not want Union representation which will be recorded on the change of status form. The Company may terminate any Colleague without first issuing a warning or suspension for any of the following offenses: proven theft or embezzlement; carrying an unauthorized concealed weapon; being the aggressor in a fight; being under the influence of alcohol or a controlled substance while at work; workplace violence, egregious violations of the Company's policies and procedures that cause more than a nominal loss to the Company; observed foul or offensive behavior to a customer or co-worker; or gross insubordination.

For all other offenses, the Company shall use progressive discipline (i.e., cautionary warning, written warning, final warning and/or suspension(s) prior to termination), unless the offense is of such severity to warrant immediate discharge or accelerated process. An arbitrator shall have sole authority to determine if such offense is sufficiently serious as to justify discharge without prior discipline.

Any Colleague feeling s/he has been unjustly discharged shall have the right to appeal such discharge through the Union within ten (10) calendar days from the date the Union receives notice of the discharge pursuant to Section 33 - Processing of Complaints and Disputes.

The Company shall have ten (10) calendar days to investigate a suspension which could lead to a discharge. If on the eleventh (11th) day the Company has not communicated to the Union or the Colleague the outcome of the investigation or sent to the Colleague by certified mail to the last known address a request to schedule an appointment with the Company the Colleague will be paid their average rate of pay beginning the eleventh (11th) day until such time as the Colleague is notified or sent notification.

- B. All notices of discharge shall be given in writing to the Colleague, with a copy emailed to the Union within five (5) days of discharge. Such notice shall include the reason(s) for the discharge.
- C. If a Colleague is discharged on the basis of evidence supplied by a store shopper, investigator, or other undercover Colleague, a representative of the Union shall have the right to review such evidence, but only upon written demand of the Colleague affected through the Union. In the event of discharge due to a shopper's report, such discharge must be made within six (6) days after the completion of the shopper's investigation.
- D. In the event the Company issues a written warning or final warning the Company agrees to furnish such notice which includes the reasons for discipline to the Colleague immediately, with a copy emailed to the Union within fourteen (14) days.

- E. All cautionary warnings and written warnings shall become null and void after six (6) months. All final warnings shall become null and void after fifteen (15) months. Colleagues on a final warning will not be allowed to bid on jobs.
- F. In the event that a Colleague has any disciplinary interview by a Macy's executive (excluding coaching conversations), the Colleague will be informed that they have a right to Union representation before the interview starts. The Colleague will be given a reasonable amount of time to make arrangements for such representation.

### **Section 18 - Seniority**

- A. The Company is obligated to recognize seniority in scheduling, promotions, laying off or rehiring Colleagues as detailed in the specific sections of this Agreement. The principle of seniority shall prevail and control in such layoffs promotions, transfers or rehiring where, in the judgment of the Company, merit and ability are reasonably equal. In exercising such judgment, the Company is obligated to do so fairly, reasonably and impartially, and is further obligated to take into consideration the relative merit and ability of Colleagues with experience in the same type or types of work, and such consideration shall not be limited to the Colleagues in a particular department affected.

Except as provided in Section 18F, it is agreed that application of Section 18 shall be limited to the facility where the Colleague is employed and shall not be inter-facility. Colleagues shall have no right to exercise their Section 18 rights between the facilities for any purpose.

- B. When a Colleague is transferred from one department to another, s/he shall not lose, but shall retain all seniority rights. It is agreed that Colleagues shall not be transferred from a higher classification to a lower paying classification unless such transfer is brought about by layoff or reduction in work force, or unless such transfer is mutually agreeable to the Company and the Colleague. Colleagues may be transferred to jobs within the same classification structure. Sales Colleagues in such circumstances shall not suffer loss of potential earning opportunities because of the transfer. In such circumstances the Company will be required to demonstrate that the average associate has a comparable earnings opportunity. In determining that average the Highest and Lowest commission earnings per hour Colleagues shall not be included in the calculation.
- C. The provisions of Section 18 shall not apply to Seasonal Colleagues. Further, the provisions of Section 18 shall not apply to all other Colleagues during their probation period, except that such Colleagues, when laid off, for a period of up to six (6) months unemployment, shall be offered employment for which they have qualifications before any new Colleague is hired for such work (excluding Seasonal Colleagues, which have no recall rights).

- D. Where a Colleague is entitled to recall to work from a layoff and cannot be contacted by telephone, the Company will notify the Colleague of availability of work by written communication to his/her last home address on file and email (if it is on file) with the Company.

Telephone notification to a member of the Colleague's family at the Colleague's last telephone number on file with the Company will fulfill the requirements of this subsection. It shall be the laid off Colleague's obligation and responsibility to keep the Company advised of the Colleague's correct and current telephone number and address.

- E. Seniority shall be terminated by:

1. Written resignation.
2. Verbal resignation not withdrawn in writing by the close of the next business day.
3. Discharge for cause.
4. Failure to return from leave of absence granted in accordance with Section 13 (Leaves of Absence).
5. Failure to return to work from layoff within three (3) working days of mailing notification by certified mail by the Company to the Colleague's home address unless just cause for not returning to work is proven.
6. For Colleagues:
  - with less than six (6) months of service, four (4) consecutive months of unemployment;
  - with six (6) months to one year employment, six (6) consecutive months of unemployment;
  - with one (1) to two (2) years of service, nine (9) consecutive months of unemployment;
  - with two (2) or more years of service, twelve (12) consecutive months of unemployment.
7. Receipt of VSO payment pursuant to Section 10.M.1.

- F. A Colleague's bargaining unit seniority date resets or starts over in the following circumstances:

- a. Beginning as of the date of ratification (February 2, 2023), any Colleague leaving the unit for a non-Union position for more than twelve (12) months.

- b. Any disputes arising as to the determination of a Colleague's seniority for layoff or recall purposes as outlined in this agreement, the Parties will meet and confer to confirm that the Colleague's bargaining unit seniority date is accurate at least fourteen (14) calendar days prior to the layoff or recall.

### **Section 19 - Working Conditions**

- A. The Company agrees to provide lockers, clean and adequate facilities for the storage of the wearing apparel of the Colleagues.
- B. All complaints concerning, lunch periods, lunchrooms, breaks, or lifting may be processed through Section 33 (Processing of Complaints and Disputes).
- C. Where the Company requires Colleagues to wear identical garb as to style or fashion, when such garb is not suitable for street wear, the Company shall furnish the same. The Company shall also provide for the maintenance of such garb.
- D. The Company may establish and enforce any reasonable safety rules, regulations, dress code or store rules (i.e. policies such as express credits solicitation, reasonable expectations, standards and procedures) which do not violate an express term of the Collective Bargaining Agreement and which are not arbitrary or capricious. The Company agrees to issue, in an associate on roll packet, a letter indicating the Collective Bargaining Agreement may contain different provisions than those contained in the Employee Handbook.

If such rules and regulations (as defined above) may result in the discipline of a Colleague or could otherwise adversely affect a Colleague, the Company will provide the Union with at least fourteen (14) days written notice prior to the proposed implementation of said rule and regulation.

If the Union makes a written request within fourteen (14) days of receipt of said notice of Implementation, then the Company will meet with the Union to discuss the rule and/or regulation. The Company will give good faith consideration to the comments of the Union. The effective date of the rule and/or regulation shall be the 15th day after the receipt by the Union of the notice or the 31st day if the Union has filed a request to meet, or another mutually agreeable date.

Thereafter the Union may, within seven (7) days (from the date of the meeting or response from the Company), request mediation over whether such rule or regulation is arbitrary or capricious or a violation of an express term of the Agreement.

The Union may grieve the application of the rule or regulation to a specific individual as being arbitrary or capricious or in violation of an express term of this Agreement.

The Company shall post or otherwise publicize all such rules and regulations in order that all Colleagues affected may have an opportunity to become familiar with them. All such rules and/or regulations shall be enforced uniformly and without discrimination.

- E. No person shall be discriminated against in regard to hire, tenure of employment or job status by reason of race, color, creed, national origin, age, sex, and sexual orientation, medical or mental disabilities as defined in the Americans with Disabilities Act.

Job openings shall be filled by promotions by seniority, consistent with Section 18 (A), wherever possible and always on a non-discriminatory basis. All permanent openings in higher rated jobs shall be publicized well in advance in order that all Colleagues including minority race Colleagues and female Colleagues may have an opportunity to notify management of their desire to be considered for promotion to a better position or to a higher paying department.

- F. In the event the Company offers a rewards program in which Colleagues bring forward ideas which are ultimately utilized by the Company's Downtown San Francisco Store(s) shall participate in said program.
- G. SPUR Special Projects Union Representative: By mutual agreement, up to two (2) Colleagues may be selected to take an approved Union leave of absence, for the purpose of conducting business unrelated to Macy's Inc. (including Bloomingdales and any other subsidiaries). Such leaves of absence may be for up to four (4) months and the Colleague will return to a comparable position without loss of seniority. The period of leave may be extended, no more than (1) month, by mutual agreement between the Union and the Company and shall be requested no less than one (1) month, prior to the end of the current leave. The Colleague will not, however, be granted any hours with the Company toward advancement on the wage scale. The Colleague shall return to the same wage as prior to the leave. All wages, benefits and the like during the service period will be the responsibility and sole obligation of the Union.

## **Section 20 - Assignment of Work**

It is recognized by the Company and the Union that it is every Colleague's responsibility to perform the duties of their position in a manner which creates a cooperative environment and to work as a team in performing their duties. Further the parties recognize that the objective of all Colleagues is to meet the needs of the Company's customers. It is agreed that every Colleague shall treat customers with courtesy and respect.

The parties recognize that it is in their mutual interest to assure that the Company's customers receive the highest level of customer service possible, regardless of designation or classification. Questions and issues arising from this Subsection shall be handled in an expedited manner.

- A. It is recognized by the Company and the Union that a Colleague's primary duty is to serve and attend to the needs of the Company's customers. Sales Colleagues will be scheduled selling shifts through the online scheduling system. Non-selling Colleagues will be scheduled separately for non-sell duties and will continue to not be subject to the provisions of MSP, however, will have the option to select selling or recovery shifts after sales Colleagues and recovery Colleagues have had the opportunity to pick up additional shifts as outlines in Section 10. Non-selling Colleagues pre-selecting a selling shift will be required to dress according to the standard established for the department in which they will be working. Non-selling Colleagues may volunteer for training in selling duties. No non-selling Colleagues will be required to perform selling shifts except for the following. The Company may temporarily assign non- selling Colleagues to do selling work during peak selling hours and/or seasons or to cover due to unexpected absences or in order to properly assist or provide for customer needs.

It is recognized that selling Colleagues may be required to perform non-selling activities, and at times in non-sell areas in order to properly assist or provide for customer needs. In the event that a non-commission selling Colleague is assigned in a commission area, they will act as a "ringer" and commissioned sales will be credited equitably to any commissioned Colleagues who are present but unable to assist.

1. This work will be distributed as equitably as possible among all the sales Colleagues in a given department, and shall not be assigned in a manner which prevents the salesperson from attending to in-person customers, nor shall such non-sell work be assigned in a manner which purposely curtails a salesperson's opportunity to attend to their own clientele. Finally, the assignments shall not be of a length or duration that unreasonably restricts the salesperson from their primary duty which is to serve and attend to the needs of the Company's customers as stated above. Sales Colleagues may be scheduled no more than an hour (1) before store opening or after store closing unless a different pre-open/post-close scheduling process is implemented consistently throughout a majority of the Company's stores in California. Colleagues are required to work until the completion of their scheduled shift unless early departure is mutually agreed upon by the manager and the Colleague.
2. The following guidelines will be used in determining appropriate non-sell duties to be performed by sales Colleagues:



- a. Sales Colleagues will not be scheduled to work in stockrooms or in support areas excluding those Colleagues that work in the following departments: Backstage, At Your Service, and Story.
- b. Sales Colleagues may be assigned to perform non sell work that may be performed on the selling floor as long as it does not inhibit their ability to sell or to assist the customers that come in the department.
- c. Examples of comparable work that would comply with this section that could be performed at any time during the shift would include:
  - Assist non-sales Colleagues in the completion of non-sell duties; markdowns, signing, merchandising and fill-in, but may not perform such duties without the presence of a non-sell Colleague excluding those Colleagues that work in Backstage, At Your Service, and Story. Management will be expected to reasonably alternate selling Colleagues in performing non-selling duties. Fulfillment picks, and Buy Online/Pick up in store (BOPS) picks.
  - Getting back stock directly for a customer when an item is not on the floor and filling in the sales floor on a limited basis as needed
  - Shoe Department “drags”.
  - Recovery of fitting rooms and selling floor so long as the activity does not impact a Colleague’s ability to service customers.
- d. Sales Colleagues will not be scheduled in advance to solely perform non-sell duties, **excluding those Colleagues that work in Backstage and Story**. Sales Colleagues are not permitted to do the following:

Processing, RTV’s, damages, RFID, non-congruent, salvage, or RA.

- B. Vendor Representatives who are not covered by Section 26 (Demonstrators, leased and sub-leased departments), and Macy’s Coordinators, must follow the Collective Bargaining Agreement between the Company and the Union.

Permitted activities that may be performed by Vendor Representatives and Macy’s Coordinators:

1. Help in the floor presentation of the merchandise; i.e. arrange floor displays for sales presentation.
2. Do counts.
3. Remove limited items from a stock room for a customer
4. Promoting the product(s)
5. Filling in selling floor from “understock”.

6. Assisting a merchandise handler when one is available with the reorganization of a selling floor presentation or the filling in of selling floor merchandise with merchandise brought from a stock room by a merchandise handler. If no merchandise handler is available, Vendor Representatives, Shop Managers and Macy's Coordinators may not engage in work described above. The unpacking and placing of new merchandise in conjunction with the introduction of new vendor presentations or reorganizations will be accomplished by no less than a majority of the Company's Colleagues, with the assistance of vendor representatives and the and the parties agree that the work is the primary responsibility of merchandise handlers.
7. Vendors may use rolling equipment only to transport appropriate amount of merchandise that are already on the selling floor in conjunction with merchandising functions the vendor is permitted to perform under this Agreement.

Not permitted:

1. "Ringling" or taking credit for sales, hanging, sensing and/or unpacking of merchandise
2. Participation in the termination discipline, or direction of Colleagues.
3. Any work in a stock room

Leased Colleagues may perform both selling and support functions excluding performing; processing, damaging, REV's non-congruent, salvages or RA.

C. Loyalty Accounts.

1. For the full term of the contract, Company will not bar Colleagues from job bidding, if they are only on a Cautionary warning for loyalty accounts; Company will not subject Merchandise Handlers, Grade G or On-Calls to discipline standards, although On Calls will still be required to solicit the opening of accounts, and Company will provide a seasonal report, if requested in writing, that summarizes the loyalty accounts for which Colleagues have received credit. The discipline standard for Union Square only if the discipline standard changes for a majority of Company's Colleagues. Discipline for Loyalty Accounts shall be subject to progressive discipline i.e. Cautionary, Written & Final warnings will remain in effect for a rolling 12-month.
2. The following minimum disciplinary standard will be in place for loyalty account solicitation:

- a. A full time Colleague who has worked 30 or more hours in the month or a part time Colleague who has worked 20 or more hours in a month will be required to open or submit for approval a minimum of one loyalty card each month. Loyalty cards that have been submitted for approval where the customer has an account that has been dormant for 12 months or less will not count as a new opening, and therefore will not count towards this minimum requirement.
- b. If a Colleague has not been issued a discipline within the past 6 months and unusual circumstances exist where a Colleague was not able to meet the one loyalty card requirement, the Company shall waive the requirement for that month.

### **Section 21 - Meetings**

Any meetings for Colleagues held by the Company shall be held on the Company's time. Any mandatory meeting time of two (2) hours or more cumulatively per week (or less with management approval) shall be considered non-productive time. Educational courses which cannot be conducted during scheduled working hours are to be voluntary as to attendance on the part of the Colleagues and time spent in attending such courses, up to a maximum of two (2) hours per week need not be paid for. Colleagues will not be required to attend storewide meetings.

### **Section 22 - Contributions to Charity**

All contributions to charity shall be voluntary.

### **Section 23 - Record of Compensation**

- A. Each Colleague, at the time s/he receives his compensation shall be provided with a record of such compensation showing the straight time and overtime hours worked and all deductions.
- B. Each Colleague covered by a commission plan shall be furnished at the time commissions are paid with a record of her/his net sales and all deductions. The statement of deductions should include return date, Store number and terminal number. Should a Colleague need assistance retrieving this record, or request a printed copy, a Human resources representative or supervisor will provide the assistance necessary to supply this record.
- C. No identified returned merchandise or adjustments shall be charged against a salesperson unless such salesperson has made the sale. No identified merchandise returned or adjusted after one hundred eighty (180) days following its delivery to the customer shall be charged against the sales of any salesperson. No identified merchandise returned as defective or damaged in transit shall be charged to the original sales Colleague.

- D. Colleagues in all Selling classifications may dispute any return after receiving the record of compensation listing that return. Once a return is disputed, the Company shall have sixty (60) days to provide documentation that the return has been properly charged back. If the return is not substantiated within this sixty (60) day period, the Company shall credit the salesperson for any lost commission on the next payday following the expiration of the sixty (60) day period. However, if the Company is able to substantiate the charge back within the next sixty (60) days, the commission will be deducted from the salesperson's paycheck.
- E. All salespersons shall provide the record of compensation (FEM) when disputing any return.

#### **Section 24 - Fidelity Bond Premiums & Physical Examinations**

- A. The Company shall pay all premiums for fidelity bonds required by the Company and shall pay for all charges for physical examinations required by the Company.
- B. The Company shall compensate the Colleague at his straight-time rate of pay for time spent undergoing any physical examination required by the Company.

#### **Section 25 - Use of Automobile**

When the Company requires and authorizes in writing a Colleague to use his/her own car in the performance of his/her work, the Company shall pay a mileage allowance as prescribed by the Internal Revenue Service.

Should the Company offer a Commuter Check Plan for its Colleagues that plan shall apply to the Downtown San Francisco Store(s).

#### **Section 26 - Demonstrators, Leased and Sub-Leased Departments**

It is understood that Demonstrators are excluded from the bargaining unit and are allowed to set up and supply enough product to provide an effective demonstration to customers. Demonstrators are not permitted operate a point of sale register or perform bargaining unit work.

- A. The provisions of this Agreement shall apply to all leased or subleased departments which are presently covered by the Agreement, except as specifically outlined below.
  - 1. This Section and Subsection and the provisions of this Agreement shall not have any application to future leased or subleased departments where in the term of the lease or sublease is less than ninety (90) days.

2. Any grievance regarding this Section will be handled in an expedited manner, and a meeting will be held no later than three (3) working days, at the request of the grieving party.
- B. In the Cosmetics Department the Company may staff one Cosmetics Counter/Vendor at Macy's Union Square, with 100% vendor paid Colleagues who are not covered by the terms of this agreement, but who may perform functions similar to other Cosmetics Sales Colleagues. This will not result in the lay off or reduction of any current sales Colleagues. It is understood in application of this provision that said vendor sales Colleagues will not intersell other Cosmetics merchandise and will turn the intersell over to other respective lines. Non-vendor Colleagues as part of the normal intersell may sell the vendor merchandise. All stock functions, consistent with the regular cosmetics stock practice, shall be performed by bargaining unit stock Colleagues. This Counter/Vendor shall be maintained in no more than two (2) locations within the Downtown Store.
  - C. It is understood and agree that all other leased departments will operate with Macy's-paid Colleagues and will be included in the bargaining unit. DVC leased operations will be subject to the terms of a 2:1 FT/PT staffing ratio but will not be subject to the 2nd paragraph of Section 19E (Filling of Jobs). The Manager and the vendor will make the final hiring decision, which is not grievable. Provided a minimum of one (1) Macy's-paid Colleague is scheduled during store-open hours, the leased operations' manager(s) shall not be subject to Section 28 (Executive Selling & Work Activities) of the Collective Bargaining Agreement and shall allocate all sales transactions as credits to Colleagues who are working.

Should a Leased department in place on the date of ratification of the 2014 Agreement decide to change the existing staffing ratio or scheduling model based on the change described above, the Union and the Company shall meet to determine a mutually-agreed-to placement in a non-leased department for any impacted Colleagues. Such mutually-agreed to placement may also include the Colleague remaining in the area and the Company attrition out of the position.

### **Section 27 - Discounts**

- A. All Colleagues covered under the terms of this agreement shall receive a Colleague discount on purchases in accordance with the Colleague Discount Policy affecting a majority of the Company's Colleagues under the Colleague discount plan.
- B. The Company does agree to provide the Union with a copy of the discount program in its present form and provide in a prompt manner copies of any changes that may be implemented to the discount program in the future. Additionally, the Company will provide to the Union a copy of the rules and policies regarding use of the discount by eligible Colleagues.

## **Section 28 - Executive Selling Activities and Work Activities**

The first priority for all Colleagues, including Executives, is to provide the highest level of customer service to our customers. Executives are responsible for directing Colleagues to insure customer needs are met and may need to provide assistance to Colleagues in order to provide optimal customer service to meet our business objectives.

It is understood between the Company and the Union that Executives may occasionally need to perform bargaining unit work for the purpose of merchandise presentation, training or customer service which cannot be completely performed by the Colleagues working on the job at the time, or in the event of an emergency. In arriving at such understanding the Company and the Union have agreed as follows regarding the duties Executives may perform without violation of the Agreement:

1. Executives may ask Colleagues to perform incidental non-selling work, but must act fairly and consistently to ensure Colleagues have equitable time to interface with customers in order to achieve sales goals. In no case shall such work amount to more than one-half hour per four (4) scheduled hours or any part thereof.
2. Executives may assist customers with their purchases when Colleagues are with other customers or not available, but will credit the sales equitably to the Colleagues who are present, but unable to assist with the sale. In doing so executives shall not engage in any of the following activity:
  - a. Intentionally sending or directing salespeople to leave the selling floor or to perform non-selling work in order to enable said executives to make sales to the detriment of salespersons.
  - b. Making sales themselves and crediting or turning over said sales to a person or persons selected by them to be written up, thereby depriving other salespersons in the department of the opportunity of an equitable division of sales opportunities within the department.
  - c. Unduly or unreasonably appropriating to them the opportunity to wait on customers or to fill mail or phone orders to the exclusion of other salespersons in the department where such salespersons are available for such work.
3. Executives may only perform stock functions when working directly with a Colleague in a training capacity, or when;
  - a. Getting an item from the stock room directly for a customer when necessary for customer service;

- b. Opening merchandise in the stock room for purpose of determining content;
  - c. Fluffing & folding selling floor merchandise.
  - d. Recovery of fitting rooms in emergency situations.
  - e. Auditing of RTV's, transfers, claims or other outbound merchandise.
  - f. Identifying merchandise on the selling floor for the execution of markdowns.
  - g. Performing stock work to maintain customer service which cannot be performed satisfactorily because of emergencies, and traditional inventory work. This includes events which cannot reasonably be anticipated or planned for by the Executive.
4. Executives may work with new or existing merchandise that has been delivered to the selling floor by a stock Colleague, to the extent necessary to create new arrangements, displays, or visual presentations in conjunction with merchandising functions. It is the intent of the parties that merchandising activities are not to extend to the performance of routine stock work unrelated to the purpose and objectives of the merchandising activity.
  5. Executives may use rolling equipment only to transport appropriate amounts of merchandise that are already on the selling floor in conjunction with merchandising functions the Executive is permitted to perform under this Agreement.

**Section 29 -Selling Supervisors, Working Supervisors, Rotators and Lead Colleagues, and Ambassadors.**

Selling Supervisors and Working Supervisors, Rotators, Ambassadors and Lead Colleagues covered by the terms of this Agreement may perform supervisory functions to assist executives in the performance of their duties, including coaching and counseling Colleagues on their respective job duties, assigning work duties and other supervisory assignments necessary for the effective operation of the department and the store will earn one dollar (\$1.00) above their hourly wage rate for performing the aforementioned job duties. Such duties shall only be assumed upon the successful bidding for the assignment under Section 19E, assignment by the Company and a three (3) hour orientation held jointly with the Union and the Company. The Company agrees to notify the Union as to the names(s) of the Supervisor(s) and to arrange for the orientation.

### Section 30 - Specialists

Specialist programs and incentives in Union Square will be administered in the same manner as in a majority of Macy's stores in California. Draw vs. Commission Colleagues who were hired prior to the date of ratification of the 2014-2017 Agreement will be allowed to receive any Specialist bonus as a lump sum.

#### A. Vendor supported Specialists

1. Vendor supported specialist programs and incentives will be determined by the vendor and are subject to change.
2. Colleagues selected for the vendor program shall be subject to vendor evaluation and such evaluations will not be arbitrary or capricious. Performance expectations will be in writing and made available to the Specialist prior to placement in the position. Specialists who are not meeting expectations will be made aware of the concerns and given an opportunity to improve their performance, prior to the annual qualification.
3. Vendor Specialists within their first year of assignment, who are unable to meet the vendor qualification criteria to maintain their specialist status or who choose to no longer be a specialist shall return to a position comparable to the position and compensation held prior to becoming a specialist.
4. Vendor Specialists with more than one year in their assignment, who are subsequently unable to meet the annual vendor qualification criteria, will be given preference to return to no lower than Option 2 or no lower than 32 hours/ week if a support Specialist (if the Vendor Specialist position was full-time), understanding that any extra compensation or incentives related to being a specialist will discontinue.
5. In the event a specialist position is discontinued, the individual in the discontinued position shall return to a position comparable to the position and compensation they held prior to becoming a specialist, if they were in the position for less than a year. However, for Specialists who have been in their position for more than one year, the Colleague will return to no lower than Option 2 or no lower than 32 hours per week if a support Specialist, understanding that any extra compensation or incentives related to being a specialist will discontinue.
6. If any current vendor specialist on roll at the date of the 2014 ratification is currently receiving a non-contractual wage premium for being a specialist, they will continue to receive such premium, even if the Colleague is no longer identified as a Specialist. Any new Specialists will receive incentives the same as those made available in a majority of Macy's stores in California.



## B. Company supported Specialists

1. Colleagues selected for the specialist program shall be evaluated annually and such evaluations will not be arbitrary or capricious. Performance expectations will be in writing and made available to the Specialist prior to placement in the position. Specialists who are not meeting expectations will be made aware of the concerns and given an opportunity to improve their performance, prior to the annual qualification.
2. Colleagues who are unable to meet the specialist qualification criteria to maintain their specialist status or who choose to no longer be a specialist shall return to a position comparable to the position and compensation held prior to becoming a specialist.
3. In the event a specialist position is discontinued, the individual in the discontinued position shall return to a position comparable to the position and compensation they held prior to becoming a specialist, however, the Company will give preference to a Specialist, for reasons other than performance issues, to return to no lower than Option 2 or no lower than 32 hours per week if a support Specialist, understanding that any extra compensation or incentives related to being a specialist will discontinue.

## Section 31 - Sickness Pay Benefits and Sick Pay - San Francisco

### SICK PAY - SAN FRANCISCO

The parties to this Collective Bargaining Agreement agree to the fullest extent permitted, this agreement shall operate to waive any provisions of the San Francisco Paid Sick Ordinance, San Francisco Administrative Code Section 12W, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written and /or amended during the life of this agreement.

Despite the waiver of the SFPTO Ordinance described above, the Company agrees to extend the following flexibility to Colleagues, which the parties agree goes above and beyond what is required by the Ordinance.

- Colleagues who are between 90 days and 6 months of service will be granted access to SFPTO-type benefits (i.e. 1 hour of paid sick leave for every 30 hours worked from first day of employment; to be used on/after 90th day of employment until the Colleague has worked six continuous months for the Colleague's illness or that of a family member or to attend a healthcare appointment of the Colleague or Colleague's family member). After 6 months of service, they move to the National PTO plan provided they meet eligibility requirements. Such time must be called in to H.R. Services on

the day of use and will be coded, for administrative purposes only, as "SFPTO".

- All Colleagues over 6 months of service who meet the Company's PTO eligibility criteria will be allowed to use up to 72 hours from their annual maximum PTO benefit in 1-hour increments. Such time must be called in to H.R. Services on the day of use and will be coded, for administrative purposes only, as "SFPTO".
- All other PTO must be taken in increments of 3-10 hours, consistent with Section 14
- In accordance with the Attendance Policy, Colleagues will use attendance credits for any unplanned absences that are not covered by FMLA, CFRA or other federal or state protected leave of absence, as outlined in Appendix D, regardless of whether such absence is "paid for" with PTO or any other form of payment.

### SICK PAY BENEFITS

#### A. General Description

1. Sick pay benefits are provided to minimize the economic hardships that may result from an unexpected illness or injury to a Colleague.
2. The Company provided Sickness Pay Benefit Program is integrated as a supplement to the State Disability Insurance Benefit and Workers' Compensation Benefits Programs.
3. This new sick pay plan shall be in effect for all illness or injury beginning on or after January 1, 1994.

#### B. Eligibility

1. A Colleague is eligible for sickness pay benefits if the following requirements are met:
  - a. Prior to illness and/or injury the Colleague is performing work covered by the terms and conditions of the Collective Bargaining Agreement, and
  - b. The Colleague, when eligible, has applied for and has qualified for State Disability Insurance or Workers' Compensation Disability Benefits in accordance with California Law, and
  - c. The eligible Colleague is:
    - \* a Regular Colleague who works 20 hours or more per week; and
    - \* has been employed for more than six (6) months; and

- \* has worked eighty (80) hours or more in the month immediately prior to the calendar month in which absence for sickness or injury occurs.
- 2. For the purpose of this provision, time paid for but not worked, i.e. paid holidays, paid vacations and periods during which sickness pay benefits are received, shall be considered as time worked.
- 3. The provision for hours worked in the preceding calendar month shall be waived for Colleagues who are normally scheduled to work the required number of hours where the Colleague is on authorized leave of absence of no longer than thirty (30) days and becomes ill or disabled. The Colleague will then become eligible for any sick pay benefits as of the date the Colleague was due to return to work.

C. Waiting Period

The period for which sickness pay benefits are payable shall begin with the first day of hospital confinement, or the fourth (4th) calendar day of sickness or injury, whichever is first; except as shown below:

<u>Years of Service as of Date of Sickness or Injury</u>	<u>Waiting Period</u>
6 months to 3 years of service	3 calendar days
3 Years to 10 years of service	2 calendar days
10 Years to 25 years	1 calendar day
25+ years of service	0 Days

Sickness pay benefits are payable from the first day of absence from work where a Colleague is hospitalized for the first three (3) calendar days of absence from work because of sickness or injury, or when absence from work is due to an awarded industrial injury.

D. Schedule of Benefits

1. The following are the maximum allowable periods that sickness pay benefits will be paid in a calendar year or if an injury or illness extends over two (2) calendar years the maximum period allowable for the particular illness or injury.

Full years of Continuous Employment:	Number of Work Weeks of Sickness Pay Benefits:
One (1) year or more but less than two (2) years	Eight (8) weeks
Two (2) years or more but less than five (5) years	Sixteen (16) weeks

Five (5) years or more

Twenty-six (26) weeks

2. The maximum allowable period of Sickness pay benefits shall be based on the total period of continuous employment as of the time of each illness or injury.
3. Weeks of Sickness Pay Benefits shall be defined as the Colleagues regular daily hours per week of work. The maximum benefit amount shall be the Colleagues regular days and hours of work per week multiplied by the weeks listed above.

#### E. Computation of Sickness Pay Benefits

1. For any illness or injury which begins on or after August 1, 1996, the sickness pay benefits shall be paid at 75% of average pay for the days eligible for sick pay. Average pay shall be computed as per Section 11 less benefits received from California Disability Insurance (not including hospital benefits) or less Workers' Compensation Benefits received by the Colleague.
2. Sickness Pay Benefits can only be taken in full days.

#### F. Payment of Sickness Benefits

1. The Colleague shall be responsible for notifying the Company of sickness or injury in accordance with the established store rules of the Company. A Colleague's failure to notify the Human Resources Office and provide a medical certification of inability to work within six (6) calendar days of illness or injury may result in a loss or delay in the payment of sickness pay benefits. Failure to notify the Human Resources of an injury or illness may result in loss of employment. No Colleague shall be terminated for failure to notify the Human Resources Office, if the Colleague's injury or illness precludes them from doing so.
2. The Colleague shall be responsible for filing his/her disability claim form DE2501 with the department of Employment and/or his/her industrial accident claim. No sickness pay benefits will be paid until this is done and a current medical certification of inability to work is on file with the Company.
3. Upon receipt of "Disability Insurance Notice of Computation" form DE 429 from the Department of Employment, the Colleague shall present this form in person or by mail to the Company.
4. Upon receipt of the "Disability Insurance Notice of Computation" form DE 429 from the Colleague, the Company shall pay any sickness benefits due the Colleague on the next payroll period immediately following receipt of the form DE 429 and return the form to the Colleague for his/her records, provided the Company has a current medical certification of inability to work on file.

5. Only deductions as prescribed by law or authorized by the Colleague shall be made from sickness pay benefit payments.

G. Exclusions

1. Sickness pay benefits shall not be paid when the Colleague is ineligible to receive disability insurance payments under the California Unemployment Insurance Code or Worker's Compensation Benefits under the Worker's Compensation Act.
  - a. Exception shall be made in the case of a Colleague who does not have sufficient earnings in his/her base period to qualify, but who qualifies under all other provisions of the code.
2. Sickness pay benefits shall not be paid during any period where the Colleague would not otherwise be eligible for payment of wages, i.e., leave of absence, layoff, or absence because of trade disputes. Before the Colleague on layoff becomes eligible for sickness pay benefits, s/he must have worked required number of hours outlined in (B) of this Section in the month preceding the illness or injury in accordance with B (1) and (2) hereof. Before a Colleague on Leave of Absence or absence because of trade dispute becomes eligible for sickness pay benefits, s/he must have returned to work for at least one workday (except as provided in B hereof).
3. The Company reserves the right to request medical certification of inability to work due to sickness or injury, provided, however, such certification will not be requested prior to the second day of paid sickness leave, except for chronic and/or pattern cases.

- H. The Company reserves the right to become self-insured for State Disability Insurance at a later date.

**Section 32 - Health, Life Insurance and Retirement**

Health, Dental, Retirement and other group and non-group benefits will be made available to bargaining unit members under the same terms and conditions, including Colleague cost, as applicable to a majority of Macy's stores in California. As such, they are subject to revision, including elimination, at the sole and exclusive discretion of the Company. Any revisions will be reviewed with the Union prior to implementation. Plan changes shall be communicated to the Union no less than 30 days prior to implementation. The Company will review and consider, but is not required to negotiate, any benefit plan alternative options presented by the Union, upon request. The company will provide an \$87,000 investment in company healthcare contributions reducing colleague contributions across all plans.

### Section 33 - Processing of Complaints and Disputes

- A - For the purpose of this agreement, a grievance is a dispute over the interpretation or application of an express term of this collective bargaining agreement alleging the agreement has been violated and as a result, a Colleague's rights under this agreement have been adversely affected. All grievances as defined are to be processed in accordance with the terms of this section. All grievances of Colleagues covered by this agreement shall be presented to the Company in the following manner.
1. The aggrieved Colleague shall, either individually or together with their shop steward, submit the matter in writing to their immediate Supervisor within thirty-five (35) days from the date of the occurrence by utilizing a grievance resolution form mutually agreed upon by the Union and the Company. Colleagues may obtain a copy of the grievance form from the Union, the Company, or their Shop Steward. The supervisor shall respond to the grievance in writing within ten (10) business days after it has been presented. If the dispute is not settled to the Colleague's satisfaction at the store level, then they may meet with the Union to review the matter for the appropriate next step in the grievance proceedings. Copies of the completed resolution form must be faxed, emailed, or dropped off at the Union office by the Colleague. The Colleague will be afforded an opportunity to fax, and or email the completed grievance form to the Union from the Company's facility.
  2. Grievances regarding contract interpretation or non-disciplinary action may also be submitted directly to the Labor Relations representative by the Union. Such grievances must be submitted by the Union within thirty-five (35) days of the occurrence to the Labor Relations Department by utilizing the grievance resolution form or by formal letter.
  3. Grievances regarding discipline or discharge must be submitted by the Union within ten (10) business days from the date the Union receives written notice of the discipline or discharge.
  4. Grievance letters must include the; name of the grievant, date of occurrence of the dispute, specific language or section of the contract that is in dispute and the specific remedy sought. Any grievance not filed by the timelines set forth in the above sections will be considered untimely and will be null and void.
- B - Grievance Resolution Process: For any dispute not settled by the parties within the time limits of Section 33 (A) of this agreement, the following options to resolve the grievance will be utilized.
1. The Union and Labor Relations office will conduct a monthly telephone conference to discuss any unresolved grievances. The conference shall

take place on the second Thursday of every month, or on an agreed upon date within the month. If the matter is not resolved at the telephone conference, or within the following 2 weeks, then the parties will mutually agree to advance the issue to a formal grievance meeting to be held on the fourth Thursday of each month or within twenty (20) business days from the date of the telephone conference.

2. If after the completion of the formal grievance meeting, the matter remains unresolved; the moving parties must notify the other party in writing by email, facsimile or regular mail, within twenty (20) business days from the date of the grievance meeting to commence selection of the Arbitrator. Failure of the moving party to comply with the twenty (20) business day time limit, herein and specified shall be deemed to be a conclusive waiver of the grievance.
  3. By mutual agreement, the Union and Company may request a Mediation to be held by the Federal Mediation and Conciliation Service in an effort to resolve a grievance before proceeding to arbitration.
- C. The impartial arbitrator shall be selected by agreement of the parties. In the event the parties are unable to agree upon an arbitrator, he/she shall be selected by the strike-off method from a list of qualified and experienced labor arbitrators obtained from the American Arbitration Association (AAA). Each party shall have the right to reject one list provided by the AAA. Arbitrations will be conducted in accordance with the rules of the American Arbitration Association. The arbitration shall be held in San Francisco.
- D. An arbitrator shall have no power to add to, subtract from, change, or modify any provision of this Agreement, but shall be authorized only to interpret the existing provisions of this Agreement and apply them to specific facts of the complaint or dispute.
- E. The selected arbitrator shall issue a written decision to the parties within thirty (30) days of the submission of written briefs to the arbitrator. The final written decision by the arbitrator shall be final and binding.
- F. Expenses and verified costs of the prevailing party shall be borne by the other party, including cost of the arbitrator, reporting, and cost of meeting rooms incurred as the result of arbitration. In all other areas the parties will share the respective costs, one-half (1/2) to be borne by each side. Cost of attorney fees and the publication of the transcript shall be borne by the party incurring the fees.

#### **Section 34- No Strike No Lock out**

- A. There shall be no strike or lockout during the life of this Agreement.

- B. The Union agrees to give the Company at least ten (10) days advance written notice of any intent by the Union to honor a primary sanctioned picket line when established by another union directed at Macy's Union Square.
- C. A primary sanctioned picket line is one sanctioned by the UFCW International Union and the San Francisco Labor Council.

### Section 35 - Wages

- A. No contract rate herein provided shall be considered as other than a minimum rate, and no wage rate being paid to an individual Colleague as of the date of this Agreement above the minimum provided herein for the classification in which the Colleague is working shall be reduced.
  - 1. Inexperienced Colleagues may be hired at the lowest rate of pay of the progression schedule for their classification of work.
  - 2. An experienced Colleague who has had comparable experience in the retail and department store industry equivalent to the completion of one or more steps within the progression schedule for his/her classification of work, may be hired at the rate of pay for the progression step equivalent to his/her past experience, but such Colleague shall not be entitled to the highest rate in the progression schedule until s/he completes fifty (50) working days. However, this language does not preclude the Company from hiring individuals above the maximum of the classification if such action is necessary to secure an individual. The Company agrees that it will not act in an arbitrary manner in this regard and that it will not exercise its right herein, except in certain limited situations where the individual is of a reputation that will enhance the Company's selling opportunities.
  - 3. The rates of pay as established in 1 and 2 above will also apply to Seasonal Colleagues. Such Colleagues shall not receive progressive wage increases during the period of their seasonal employment. Christmas Season Colleagues may be hired at 70% of the thereafter rate.
  - 4. All progression steps will be adjusted according to their % of the thereafter rate consistent with the wage increases, which means wage increases are added to the thereafter rates first, and then the % of the new thereafter rate is recalculated and applied for each eligible Colleague.
- B. A Colleague who works more than fifty percent (50%) of the time in any one day in a classification calling for a higher rate of pay than his/her regular rate shall be paid for the entire day at such higher rate.



C. Biweekly Pay

The Company, with thirty (30) days advance notice to the Union and the Colleagues, may convert at the same time as the majority of the other Company's Colleagues to a biweekly pay period.

D. The reclassification of a Regular Colleague as the result of a successful complaint of improper classification, shall be effective retroactively to the date the Colleague was placed in the disputed classification, or the date not more than one hundred twenty (120) days prior to the claim of misclassification, whichever period is shorter.

E. Should any job classification, new departments or division be established which are not covered by the Agreement and are not, by the terms of this agreement excluded from the coverage of the same, either party will, upon request of the other party, discuss wages applicable to such Colleagues, and in the event the parties are unable to arrive at agreement as to the proper wage classification (including new commission arrangements) for the new classification, the matter may be submitted by the Union for disposition to an impartial arbitrator following the procedures contained in Section 33 of this Agreement.

D. WAGES:

The progression schedule is calculated on the current years thereafter rate.

**THEREAFTER RATES FOR COLLEAGUES**

Months of continuous Service: Rates are for first year of agreement and will increase with annual wage increase:

**Selling and Support Classification:**

In Hire	80% of the thereafter rate up to 12 months	\$17.32
12 Months to 24 months	85% of the thereafter rate	\$18.40
24 Months to 36 months	90% of the thereafter rate	\$19.49
36 Months to 48 months	95% of the thereafter rate	\$20.57
48 Months	Thereafter rate	\$21.65

**Recovery Classification: (August 31, 2020: Fitting Room Recovery Department Eliminated)**

In Hire	80% of the thereafter rate up to 12 months	\$15.20
12 Months to 24 months	80% of the thereafter rate	\$16.15

24 Months to 36 months	90% of the thereafter rate	\$17.10
36 Months to 48 months	95% of the thereafter rate	\$18.05
48 Months	Thereafter rate	\$19.00

If the minimum wage laws increase minimum wage above step progressions, Colleagues will be advanced to the next step progression. In the event of such advancement, the Colleague will begin to accrue time at the new progression wage level towards the "thereafter" wage rate.

UFCW Local 5 Hire In Rates Effective 6/1/2022		
Grade	Thereafter Rate	80%
1	\$21.65	\$17.32
IIB	\$21.65	\$17.32
B2	\$21.65	\$17.32
C1	\$21.65	\$17.32
C2	\$21.65	\$17.32
D2	\$21.65	\$17.32
E1	\$21.65	\$17.32
F1B	\$21.65	\$17.32
F1BN	\$21.90	\$17.52
F2A	\$22.25	\$17.80
G	\$21.65	\$17.32
H	\$21.54	\$17.32
Recovery	\$18.00	\$14.40

Colleagues as of date of ratification of this 2014 agreement in the existing Fitting Room and Recovery grades will retain their currently hourly rate, but will be expected to perform any of the duties assigned to any of the two legacy grades. Any Colleagues at the current thereafter rate as of the date of ratification of this agreement, but are less than the new thereafter rate, will have their rate adjusted to the new thereafter rate. Those currently in the Recovery wage progression, will have their current rate adjusted to reflect the new thereafter (e.g. a Colleague at 80% of the former thereafter will be adjusted to 80% of the new thereafter).

In instances where a Colleague is eligible for a General Wage Increase, including where a Colleague would be above the thereafter rate in any given year, the wage increases are as follows. (Colleagues who are still progressing will receive General Wage Increases as part of their progression step as described above):

<u>6/1/2022</u>	<u>6/1/2023</u>	<u>6/1/2024</u>
\$ .50	\$ .50	\$ .50

### Cosmetics & Fragrance Colleagues:

#### GRADE 4

Effective June 1, 2008, the Company may hire cosmetics and fragrance Colleagues under a new wage structure. The new wage structure is designed to generate a base rate commensurate with the volume of expected sales, paid at the same commission rate.

For Cosmetics and Fragrance Colleagues hired before June 1, 2008, who wish to bid on another job within Cosmetics or Fragrances, may be eligible for the new agreed-to-rate structure, but may not go back to the previous rate structure.

If a Colleague moves between the new grades, the base rates would be changed dependent on the grade moved into. The Calculation would be as follows:

1. Current Base Rate/Current Grade Thereafter Rate = % to current Thereafter Rate
2. New Base Rate in New Grade would = % to current Thereafter x New Grade Thereafter Rate.

The new base rate in the new grade cannot exceed 120% of the new grades thereafter rate and cannot be below 80% of the new grade thereafter rate.

When cosmetics and Fragrance Colleagues hired before June 1, 2008 bids on a new job with a pay grade higher or lower than the one the Colleague currently occupies, and is offered the new position, the Colleague is paid at the pay rate commensurate with the new grade, regardless of whether it is higher or lower than the current grade pay rate, except in the event of a line closure, where the 15 years of service rule will apply as stated in Section 10.

If a line should be closed, affected Colleagues will be provided the option of severance or may bid on any open position within the store. Should a closed line Colleague be unable to successfully bid and be placed into an existing open position within the Cosmetics or Fragrance area, the Union and the Company shall meet to determine a mutually agreed to placement into a non-Cosmetics or Fragrance area.

Cosmetics vendor lines or Fragrance departments are assigned to tier levels based

upon the annual sales volume (actual or projected) of the individual Cosmetics vendor or Fragrance department, as well as the sales volume per hour of the individual Cosmetics vendor or Fragrance department.

For the introduction of any new Cosmetic lines, the Company agrees to share with the Union, the annual volume performance projection for any new Cosmetic line for the purpose of ensuring proper tier placement. The new Cosmetic line would then be reviewed after 18 months from its introduction to ensure proper tier placement. If it is determined the Cosmetic line should be in a different tier, based upon actual volume and sales per hour, then the line will be reassigned into the appropriate tier and the existing rates of any affected Colleagues within the new line will be adjusted to reflect the proper wage rate, which may be higher or lower than the introductory wage rate. Union agrees to enter into a confidentiality agreement regarding the annual volume performance projection information supplied to the Union.

Tier 1 = Estee Lauder, Clinique, Lancome

Tier 2 = Shiseido, Laura Mercier, Clinique Outpost, Estee Lauder Outpost, Clarins, Origins SWS, Elizabeth Arden

Tier 3 = Christian Dior, Benefit, Benefit Outpost\Brow Bar, Chanel, Urban Decay, Bare Escentuals, Impulse Cosmetics, Inglot

Tier 4 = Fashion Fair, Bobbi Brown

Fragrances = Men's Fragrances, Women's Fragrances, Men's Skincare, P&G Prestige, Calvin Klein, Aramis, L'Oreal, Chanel, Dior, L'Oreal Mens, Givenchy, BPI, DK

**THEREAFTER RATES FOR COSMETICS COLLEAGUES**

Tier	Position	6/1/2022 Thereafter	80%	6/1/2023 Thereafter	80%	6/1/24 Thereafter	80%
1	Colleague /Asst. Counter Mgr.	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28
2	Colleague /Asst. Counter Mgr.	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28
3	Colleague /Asst. Counter Mgr.	\$21.15	\$16.92	\$21.65	\$17.32	\$22.15	\$17.72
4	Colleague /Asst. Counter Mgr.	\$22.15	\$17.72	\$22.65	\$18.12	\$23.15	\$18.52
1	Counter Manager	\$20.90	\$16.72	\$21.40	\$17.12	\$21.90	\$17.52
2	Counter Manager	\$21.40	\$17.12	\$21.90	\$17.52	\$22.40	\$17.92
3	Counter Manager	\$22.15	\$17.72	\$22.65	\$18.12	\$23.15	\$18.52
4	Counter Manager	\$23.15	\$18.52	\$23.65	\$18.92	\$24.15	\$19.32
	Fragrance Counter Manager	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28
	Fragrance Assistant	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28
	Colleague	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28
	Flex/On Call	\$20.60	\$16.48	\$21.10	\$16.88	\$21.60	\$17.28

The same progression schedule as Grade 1 and 2 shall apply to Grade 4

In instances where a Colleague is or would be above the thereafter rate in any given year, the wage increases are as follows:

Cosmetics: Receive 3.0% commission on merchandise at their counter and 3.0% commission on all other cosmetics/fragrances

Fragrances: Receive 3.0% commission on all Fragrances and 3.0% on most cosmetics brands.

**Draw vs. Commission Colleagues:**

	Minimum Draw Rate	Comm %
Grade 5A1 - Womens Shoes***	\$17.00	9.50%
5A1 Athletic Shoes		
Grade 5A2 - Mens Shoes****	\$17.00	8.25%
5A2 Athletic Shoes		
Grade 5B1 Clothing	\$17.00	6.75%
Grade 5B2 Big Ticket	\$17.00	6.50%
Grade 5C1 Fine Jewelry	\$17.00	8.25%

\* Newly hired Colleagues will receive 1% less commission than indicated above until they have achieved one full year of service.

\*\*Note that the commission rates for grades 5A2, 5B2 and 5B1 are not currently paid at the contractual rates stated above. Effective August 3, 2014, the correct contractual rates as stated above will be implemented.

- 5A2 - Currently calculates the Athletic shoes at 8.25% (FT)

**Eligibility for General Wage Increases - Draw vs. Commission (DVC) Colleagues.**

Increase the non-DVC thereafter and above rates as follows:

Effective 6/1/22 \$.50 per hour; effective 6/1/23 \$.50; effective 12/1/23 \$.50.

DVC Colleagues, hired prior to ratification, to receive a one-time bonus, based on hours worked the previous quarter, multiplied by amount of the non-DVC Colleague GWI for 2022.

DVC Grade 5 employees hired on or after January 1, 2016 are not eligible for general wage increases to their hourly base rate.

DVC Grade 5 employees hired prior to January 1, 2016, will receive a quarterly bonus, based on hours worked in the previous fiscal quarter, multiplied by the amount of the Grade 1 & 2 general wage increase applicable to the previous fiscal quarter. The quarterly bonus payments shall be made no later than the

third week of the first month of each fiscal quarter. All payment periods shall be based on standard fiscal quarters.

### **EXTRA COLLEAGUES FOR INVENTORY WORK**

The Company may employ Extra Colleagues for the purpose of taking inventory at the same rate as Grade G of this Agreement.

### **E. BONUSSES**

#### **Men's Clothing:**

Those Colleagues who previously received a side payment will be paid a quarterly Bonus of .25% on the individual net sales calculated from the beginning of the business quarter through the end of the business quarter. Eligible Colleagues must be on roll from the beginning of each quarter to the end of each quarter to qualify for the side payment bonus amount.

#### **Shop on Union Square:**

Those Colleagues who previously received a side payment will be paid a Quarterly Bonus of 1.75% of the individual's net Sales based on the same calculation as noted in Men's Clothing.

Eligible Colleagues must be on roll from the beginning of each quarter to the end of each quarter to qualify for the side payment bonus amount.

#### **Lifestyles:**

Those Colleagues who previously received a side payment will be paid a Quarterly Bonus of 1.25% of the individual's Net Sales based on the same calculation as noted in Men's Clothing.

Eligible Colleagues must be on roll from the beginning of each quarter to the end of each quarter to qualify for the side payment bonus amount.

#### **Furniture and Mattresses:**

Those Colleagues who previously received a side payment will be paid a Quarterly Bonus of 1.25% of the individual's Net Sales based on the same calculation as noted in Men's Clothing.

Eligible Colleagues must be on roll from the beginning of each quarter to the end of each quarter to qualify for the side payment bonus amount.

#### **Carpets:**

Those Colleagues who previously received a side payment will be paid a Quarterly Bonus of 1.75% of the individual's Net Sales based on the same calculation as noted in Men's Clothing.

Eligible Colleagues must be on roll from the beginning of each quarter to the end of each quarter to qualify for the side payment bonus amount.

**Women's Shoes:**

Those Colleagues who previously received a side payment will be paid a seasonal Bonus of 1.5% of individual net sales, calculated from the beginning of the business season through the end of the business season. Eligible Colleagues must be on roll from the beginning of each season to the end of each season to be eligible.

**Men's Shoes:**

Those Colleagues who previously received a side payment will be paid a seasonal Bonus of 2.75% of individual net sales, calculated from the beginning of the business season through the end of the business season. Eligible Colleagues must be on roll from the beginning of each season to the end of each season to be eligible.

**Misc. Departments:**

There remain a few grandfathered side payment Colleagues in Misc. Departments other than those identified above (Men's and Women Shoes not included) which will be paid a new commission rate and Quarterly bonus on the same calculation noted above. If Dual commission as per Men's Clothing; if single commission as per the calculator method of Furniture. New Commission rates will be rounded to the nearest .25%. The Company will submit a list of these Colleagues and their new draw commission structure to the Union.

**Current Colleagues in Grade 5 Departments:**

Current Grade 5 Colleagues will not have to satisfy the one (1) year progression period to receive the agreed to commission rate if they transfer to a new Grade 5 department (i.e. Men's Clothing receiving 6.75% transfers to Carpets will receive on the first day in Carpets 6.50%) and the Quarterly Bonus if applicable. If another Colleague not in Grade V as of September 1, 1993, transfers to a Grade 5 department, they may be required to satisfy the commission progression schedule.

- F. Selling incentive plan agreed to between the Company and the Union in effect as of the date of ratification of this Agreement shall remain in effect. Copies of the individual store selling incentive plans are on file in the offices of the Union and the Company.

When a Grade 5 commissioned salesperson completes a sale directly with a customer, whether it be by phone, computer or mail order, s/he shall be credited with the sale. Credit for the sale is not given for transactions that a customer executes on their own, or for incidental assistance a Grade 5 salesperson may provide to coworkers on the sales floor regarding a transaction they did not personally execute.



- G. Selling and Working Supervisors not falling within the definition of "Executive" as set forth in Section 2 (Definition of Executives) shall receive one dollar (\$1.00) per hour of premium pay above the minimum wage scale in the department in which they work, and shall be covered by all terms of the Agreement.
- H. Nothing in this agreement shall restrict the Company from enhancing that commission rate for all commission eligible Colleagues in a department, and/or increasing an individual's base rate compensation above their current rate.
- I. During the period of the agreement the Company may submit a written request to the Union for the purpose of re-opening the contract for wage compensation modifications. The parties shall meet for the such purpose within sixty (60) days of the Company's request. Any wage rate compensation modifications shall be negotiated and mutually agreed upon by both parties.
- J. The Leased Vendor will determine their respective pay plan, so long as the CBA minimum is adhered to.

### **Section 36 - Separability**

If any Section of this Agreement or Appendices thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Section is restrained by such tribunal pending a final termination as to its validity, the remainder of this Agreement and of any Appendix thereto, or the application of such Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

### **Section 37 - Transfer and Removal of Work**

No work now being performed by the Colleagues within the bargaining unit shall be transferred or removed from the bargaining unit without at least sixty (60) days advance notice to the Union affected by certified or registered mail setting forth the nature of such intended change(s), dates of such change(s) and whether the change involves the elimination of a work or departmental operation or a change in method of operation wherein present bargaining unit Colleague's job or position would be eliminated. Any Colleague displaced as a result of those situations where the change results in the elimination of entire departments or work operations, or individual job functions within a department will, in order of seniority, be offered the opportunity to displace among the least senior Colleague in their same classification, provided the Colleague has the requisite merit and ability to perform the function of the least senior Colleague in accordance with Section 18 of the Collective Bargaining Agreement. The classification shall be defined as the major grouping (i.e. Grade C1 - 1a through f). The Company shall provide whatever in-store training necessary to place the affected Colleague(s) in other available positions regardless of classification. In

such situations, the affected Colleague(s) shall have the option of accepting the available position or of going on layoff status.

The Company upon notice to the Union agrees to institute a hiring freeze for the classifications, or work types affected by the transfer or removal, as well as for Grade I selling positions, in an effort to create and/or keep for the affected Colleagues, as many available open positions as possible.

It is understood that such available open positions are the only positions that the affected Colleagues can transfer to, and the hiring freeze does not apply to positions of the type that the affected Colleagues would not be experienced or qualified for. Should all of the prospective displaced Colleagues fail to accept an available position and choose to accept a layoff, the Company shall fill the available position(s) in accordance with Section 18. The Company agrees to offer to those on layoff status, as a result of the job elimination, positions that become available in the future before any new Colleague is hired. The offer of newly available positions shall be in accordance with Section 18, and this Section shall have priority and precedence over Section 19E.

In those situations cited above if the Union has served notice on the Company within seven (7) days of receipt of the above-mentioned Company notice, the parties shall meet as soon as possible to discuss the effects of such above-mentioned changes on the bargaining unit Colleagues. If displacement results in loss of work resulting in layoff, then the Company and the Union will meet to discuss the effects of such layoff and negotiate applicable severance and general release. Grievances by Colleagues regarding the effects of the change(s) will be subject to all provisions of Section 33.

### **Section 38 - New Federal, State, County or City Law Ordinances**

Should a new federal, state, county or city law/ordinance be enacted that is in conflict with the terms of this collective bargaining agreement and if said law/ordinance would allow for a waiver in a collective bargaining agreement, the Company and Union will agree to meet and discuss implementation of a waiver.

### **Section 39- Length of Service Recognition**

The Company shall provide a length of service recognition program for eligible Colleagues covered by the Agreement. The length of service recognition program shall be the same program as that provided to the majority of the Company's Colleagues and shall change when changes are made in the program that affects the majority of the Company's Colleagues.

**Section 40 - Pandemic/Epidemic**

In the event of a regional, national or worldwide health care crisis, if the store is under orders to temporarily cease operations, the Company and the Union will meet and bargain the effects of the operations stoppage for all bargaining unit Colleagues.

**Section 41 - Term**


This Agreement shall be effective June 1, 2022 and shall remain in full force and effect until midnight May 31, 2025 and shall continue in effect thereafter from year to year unless either party hereto serves notice in writing sixty (60) days prior to the anniversary date of this Agreement of its desire to modify or change this Agreement.

The parties hereto agree that all issues between them are settled by this Agreement for the full term thereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands, by their respective officers or representatives' thereunto duly authorized.

**MACY'S**

**UNITED FOOD AND COMMERCIAL  
WORKERS UNION, LOCAL 5**

  
\_\_\_\_\_  
Chanell Bracey-Davis,  
HRBP, & Labor Strategy COE Leader

  
\_\_\_\_\_  
John Nunes  
President

Date: 5-22-2023

Date: 5/15/2023

## Appendix A

Artists
Beauticians
Cabinet Makers
Carpenters
Copy Writers
Culinary Employees
Deliverymen - Outside
Display men
Drapery Workers
Electricians
Elevator Constructors
Elevator Operators
Engineers
Executive Trainees
Fur Workers
Furniture Finishers
Garage Employees
Guards
Janitorial Operations (Janitors, Matrons)
Laborers
Operations (Shipping & Receiving Clerks; General Department Store Warehouse)
Painters
Personnel Interviewers
Personnel Office Clerks
Plumbers
Printers
Programmers - Operators
Radio and TV Servicemen
Registered Nurses
Secretaries to Executives above department manager
Shoe Repairmen
Special Officers
Store Detectives
Teamsters
Teen Board Members
Warehouse Dept.
Watch Repairmen

## **Appendix B (updated February 2023)**

The department area/suffix numbers are subject to change.

### **SELLING**

#### **SELLING GRADE 1**

03 05 Handbags

07 21 Dress Men's Furnishings/Children's

07 90 Young Men's/Collections

10 01 Bedding & Bath

16 01 Housewares

17 09 Bridge EF

17 10 INC/Alfani/Vince

17 19 Lauren/Club/NYDJ/IA

21 74 MPD Vendor Ambassadors

41 08 FashJewelryComplex

62 25 Sunglass Hut

#### **GRADE 2B**

21 02 At Your Service

#### **GRADE 4 COSMETICS/FRAGRANCES**

04 02 Lauder/Origins

04 03 Clinique

04 04 Lancome (main counter)

04 08 W/M Fragrances

04 10 Chanel

04 11 Bobbi Brown/Arden

04 15 Shiseido/Clarins04 18 Christian Dior

04 23 Trend Pres Beauty Team

04 42 On-Calls/Flyers/Cos. FWT

04 47 Jo Malone Fragrances

04 58 Benefit

04 73 Chanel Fragrances

04 74 Blue Mercury

04 88 Bare Escentuals

04 95 Fragrance Outpost

04 96 VP Frag Santa Help

**GRADE 5A1 SHOES**

05 02 Women's Shoes

**GRADE 5A2 MEN'S SHOES**

07 32 Men's Clothing/Men's Shoes

**GRADE 5A3 FINISH LINE**

62 51 Finish Line

**GRADE 5B1 CLOTHING**

07 32 Men's Clothing/Men's Shoes

07 90 Young Men's/Collections

**GRADE 5B2 Big Ticket**

14 07 Big Ticket

**GRADE 5C1 - Fine Jewelry**

41 01 - Fine Jewelry

**NON SELLING**

**GRADE B1**

35 50 Mail room

**GRADE B2**

21 50 Recovery

**GRADE C1B**

70 10 Office and Clerical

21 40 Jewelry Clerical

**GRADE C2**

35 05 Cashier

**GRADE D2**

Sales Support (Cashier office)

**GRADE E1**

61 05 Visitor Center

**GRADE F1B, F1BN\***

05 40 ELS

21 70 Vendor Paid Merch Handler

21 71 Seasonal Vendor Paid Merch Handler

21 81 Polo Co op

21 82 Lauren Stock

21 83 MKors Handbag Stock

21 84 Vendor Paid Rotators

**Stock**

21 50 Recovery (seasonal)

35 20 Supply Clerk

80 70

88 27 Overnight Processing Night Processors\*

90 42 Estee Lauder Stock

90 43 Clinique Stock

90 44 Lancome Stock

90 45 MAC Stock

90 46 Bare Escentuals Stock

90 47 Shiseido Stock

90 48 Dior Stock

90 63 Chanel Stock

90 94 Blue Mercury Stock

90 97 Beauty Merchandiser

**Support**

63 51 Finish Line Support

88 40 Homestore/Beauty

88 43 RTW/Mens

88 50 Center Core/Kids



88 80 Fulfillment

(Merchandise Handling/Stock Clerk, and Supply Clerk, Signers, Sensomatic Team)

\*For purposes of wages only

**GRADE F2A**

92 07 Gift Registry

**GRADE G**

63 31 Time Services

**GRADE H**

92 02 Alterations

## Appendix C- Attendance Policy

Until the implementation of the Company Attendance Policy, it is understood that the provisions of the 2008-2014 apply.

### MY DAY, MY WAY

As an hourly Employee (full time, part time, flex time & seasonal), you receive a “bank” of Attendance Credits to use as desired and needed to help you take ownership of your day-to-day schedule, as well as to cover any unexpected last-minute absences and late arrivals. Attendance Credits, MySchedulePlus (“MSP” - our electronic scheduling system), and our Paid Time Off program, are all designed to give you flexibility while serving the customer best.

Lateness and absenteeism impact not only service to our customers, but your coworkers as well. Managing your time well is critical to everyone’s success and your employment with Macy’s. Macy’s also recognizes that certain absences and late arrivals are protected by company policy or law. This means you don’t have to use credits for pre-approved PTO, an approved leave of absence, or absences protected under federal, state or local laws (see Section II, below).

### I. Earning Credits

Attendance credits are continuously earned and used and provide you the flexibility to take control of your schedule. Building your bank of credits through perfect attendance lets you build a “savings account” for when life events happen.

- **Initial Bank of Credits.** New Hires and Seasonal Employees are awarded nine (9) Attendance Credits at time of hire.
- **Accumulating Credits.** You can start earning extra credits during the first thirty (30) days of employment. For every two weeks of perfect attendance (i.e., no attendance credits used), a half (½) credit will be added to your bank.
- **Carryover:** You can carry over unused Attendance Credits from one fiscal year to the next.

### II. Using Credits

You can use your credits when life’s events happen. Here are some examples of how attendance occurrences (e.g., absences, late arrivals) impact your Attendance Credits:

USING ATTENDANCE CREDITS	
½ credit used	• Arriving 10 minutes or more late
1 credit used	• Absent (Monday-Friday) • Consecutive absences during the week (Monday –Friday)
2 credits used	• Absent (Saturday or Sunday) • Consecutive absences (including a Saturday or Sunday)

## USING ATTENDANCE CREDITS

Consistent with the SF Sick Leave ordinance, the first 72 hours of PTO used each year for illness of an employee or family member shall not result in discipline or the loss of an attendance credit.

### III. YOU MAY NOT HAVE TO USE CREDITS IF THE ABSENCE OR LATE ARRIVAL IS:

1. *Related to the pre-approved use of Paid Time Off (PTO).* Note that if you use PTO to cover the absence, but the absence was not pre-approved, an Attendance Credit will be used UNLESS the absence is also covered by #2 or #3 below.

2. *Related to a company-approved leave of absence.*

3. *Protected under the Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA) or any other federal, state or local law that provides an Employee the legal right to take time off without a negative impact on employment. (This may include situations when the Employee is entitled to and receives FMLA and also chooses to use PTO to receive pay for the absence.)*

*Make sure you're aware of your responsibilities under any leave policy. In general, you must be on an approved leave of absence to have your time off excused. This requires more than just bringing in a doctor's note. You must comply with the leave of absence application and approval process. And if you are on an intermittent leave of absence you must promptly report your related absences or late arrivals, or they will be subject to the attendance policy (i.e., appropriate deduction(s) will be made from your bank of credits for each late arrival or absence). Schedule accommodations granted under the FMLA, ADA or other applicable laws will have no impact on your attendance, but make sure you have the proper approval by working with your Human Resources Manager.*

*If you are on an approved intermittent leave you must report your missed work time –if it is related to your leave–within two (2) business days of your return to work. Failure to report this time to HR Services via IN-SITE can result in having to use attendance credits.*

### IV. When You Can't Work a Shift

Reach out to one of your co-workers using the "Self Service Tools" of MSP. You'll have up to two (2) hours before your shift to "advertise" or "swap" the shift. You'll be responsible for your shift until you confirm someone has picked it up.

### V. Termination Based on Zero Credits

Your manager may periodically remind you of your attendance credit balance. However, it is your responsibility to manage your credit bank, so you don't run out of credits. Reaching a credit balance of zero (0) will result in termination.

## **VI. Your Responsibility to Monitor Your Attendance Credit Balance**

It's your responsibility to monitor your attendance credits both to make sure you don't run out, and to make sure the balance is correct. If you believe your balance is incorrect, it's your responsibility to immediately let your manager know so your record may be reviewed and, if necessary, corrected.

### **Creating an Everyday Magic Workplace**

**Remember...** Absences and late arrivals that are potentially covered by federal, state or local laws may not require use of attendance credits. When absent or late for a legally protected reason, you must fully comply with the leave of absence/time off procedures and call-out/reporting procedures so credits are not used for the missed work time.

Contact HR to learn more.

**Remember...** you will use attendance credits when you are late for or absent from a shift and you call out via phone (instead of using the "Call Out" feature on MyPage) since telephoning doesn't give another Employee the option to pick up your shift via My Page.

## **VII. Chronic Absenteeism or Lateness**

You may use your bank of credits for unexpected occurrences. However, when the occasional lateness or absenteeism becomes more frequent, your supervisor will discuss the situation with you and remind you of your commitment to Macy's using the Responsibility Based Performance Process.

Here are some examples of recurring situations your supervisor may discuss with you:

- Repeatedly calling out for scheduled weekend shifts;
- Coming in late on multiple occasions during a short time period;
- Repeatedly calling out for holiday shifts;
- Repeatedly leaving early without manager approval;
- Repeatedly taking a longer meal period than your schedule allows; or
- Not taking your meal periods as scheduled.

## **VIII. It's Your Responsibility to Let Us Know if You Will Be Late or Absent**

If you are unable to come to work or are running late, use the "Call Out" self-service feature on your schedule on MyPage for the shift you won't be working, and the shift will automatically be advertised for other Employees to view and pick-up. The Store management team gets a report of this activity, so you don't have to telephone the store to call out. If another Employee picks up your shift, you won't have to use an attendance credit.

If you are running late or if you need to call out and do not have access to the online features on MyPage, you should call your location's "call out line" (if applicable) before the shift begins. If no call out line exists, personally call your manager before your shift begins to let your manager know you will not be reporting to work. If your manager is not working that day, call the Executive in Charge ("EIC").

If you cannot reach your manager or the EIC, leave a voicemail for the EIC and your manager. Text messages and emails to a manager are not acceptable call out methods.

If you are absent for three (3) consecutive scheduled workdays without notifying the Company, this is considered job abandonment and will result in termination (unless state or local law prescribes a longer period) regardless of any remaining attendance credits in your bank.

### EXTREME CIRCUMSTANCES

In administration of this policy, the Company will give appropriate consideration to “extreme circumstances” impacting attendance and punctuality such as a complete shutdown of a public transit system, transit line or bridge (BART, MUNI, Cal-Train, SF-Oakland Bay Bridge, Golden Gate Bridge).

### TRANSITION TO THE COMPANY ATTENDANCE POLICY

At the point this bargaining unit transitions to the Company Attendance Policy, employees will start with 18 credits, with the following exceptions: Employees on a Reminder 2 for attendance at point of transition to the new policy will start with 9 credits; and Employees who are on Final Warning/DML for attendance at point of transition to the new policy will start with 6 credits.

In the event that the Company changes the policy about two credits for weekends, that policy change will be extended to the bargaining unit.

### **GRANDFATHERED ATTENDANCE REWARD PROGRAM for associates hired prior to date of ratification of 2014-2017 Agreement.**

At the end of each calendar year each associates who has not used any attendance credits will earn a day off with pay that may be taken in the following calendar year under the same guidelines that apply to Paid Time Off (PTO) days. If an associate has not used any attendance credits for two (2) consecutive years thereafter they earn one (1) day per year up to a maximum of five (5) days.

## Appendix D - Leaves of Absence

### LEAVE OF ABSENCE AND TIME OFF

<REPLACE ALL CURRENT APPENDIX D LANGUAGE WITH THE FOLLOWING  
(FROM MACY'S 2014 ASSOCIATE GUIDE AND ASSOCIATED POLICIES)>

#### BEREAVEMENT LEAVE POLICY

Macy's provides either paid or unpaid Bereavement Leave to assist associates who are coping with the loss of a family member.

##### **I. Eligibility for Bereavement Leave**

- **Paid Bereavement Leave** is available to all associates (including flex team, on-call and seasonal associates) who have completed six (6) months of service and:
  - *If you've worked for Macy's one year or longer*, you must have worked an average of 15 hours per week in the prior calendar year. (You can refer to the MTO Panel on IN-SITE to confirm your eligibility.)
  - *If you've worked for Macy's more than six months but less than one year*, you must have worked an average of 15 hours per week in the prior 90 days.
- **Unpaid Bereavement Leave** is available to associates who do not meet the eligibility requirements for paid Bereavement Leave. Your request for unpaid Bereavement Leave must be made to your Human Resources representative or a member of your management team.

##### **II. Duration of Bereavement Leave (Paid and Unpaid)**

###### **Family Relationship to Associate**

Death of Immediate Family Member

- Spouse or Domestic Partner
- Child
- Parent
- Legal Guardian or Formal Surrogate Parent responsible for your rearing
- Sibling

**Maximum Leave Time**  
**1 Week\***

(For this policy, we define "one week" as the average number of days you would use for one week of PTO.)

Death of Immediate Extended Family Member

- Grandparent
- Grandchild
- Step-child (or the child of your domestic partner)
- Step-father or step-mother
- Step-brother or step-sister

**3 Days\***

- Mother-in-law or father-in-law (or the parent of your domestic partner)
- Son-in-law or daughter-in-law (or the domestic partner of your son or daughter)
- Sister-in-law or brother-in-law (or the sibling of your domestic partner)

**Family Relationship to Associate  
Death of Extended Family  
Member**

**Maximum Leave Time  
1 Day**

- Great grandparent
- Great grandchild
- Aunt or uncle
- Niece or nephew

### III. Other Things You Should Know

- **Payment (if you're eligible for paid Bereavement Leave).** If you need to take Bereavement Leave during days you are scheduled to work, you'll be paid for your actual scheduled hours on the day(s) when you take Bereavement Leave. Otherwise, your pay for paid Bereavement Leave will be calculated the same way as PTO.
- **Paid Time Off.** If a death in the family occurs while you're using PTO, you may use Bereavement Leave (as described above) in place of the PTO you scheduled (i.e., your PTO time will not be deducted or paid while you're on Bereavement Leave). However, you won't receive pay for PTO and Bereavement Leave at the same time.
- **Attendance Credits.** Bereavement Leave is considered an approved absence and no attendance credits will be deducted.
- **Leave of Absence.** Paid Bereavement Leave may not be combined with a leave of absence. If a death in your family occurs while you're on a leave of absence (for something other than bereavement), you are not eligible for paid Bereavement Leave and your leave of absence generally is not extended.
- **No Leave Sharing.** Leave sharing may not be used to provide or extend Bereavement Leave.
- **Documentation.** Macy's may request documentation of the death of a relative prior to issuing payment for Bereavement Leave.

## **PERSONAL LEAVE OF ABSENCE POLICY**

A Personal Leave of Absence is an unpaid leave and should only be considered when the established criteria for other types of leave cannot be met or when all other alternatives have been considered and/or exhausted.

A Personal Leave is discretionary and will be considered by the Company based upon the circumstances necessitating the leave and with consideration to the impact the leave will have on the operations of the business.

### **I. Eligibility**

Only Regular Status associates, including full- and part-time associates, are eligible for Personal Leave of Absence. Temporary/Seasonal, Flex Team and On-call/Contingent associates are not eligible for Personal Leave of Absence.

### **II. Requesting a Personal Leave of Absence**

Unlike other types of leave, an associate requesting a Personal Leave of Absence must first make the request to his/her Human Resource Representative. The Human Resource Representative, with input from the Supervisor, will make the determination as to whether the requested leave can be granted and, if so, will approve the leave request in whole or in part.

An associate should give 30 days' written notice of his or her intent to take leave by completing the Request for Leave of Absence form. The associate must obtain the form from HR Services, complete it and submit it to their HR Representative for approval.

An associate is required to exhaust all earned PTO days while on a Personal leave of absence.

### **III. Leave Duration**

- ***Under six months of service:*** Up to 2 weeks in a rolling 12-month period.
  - ***Six but less than twelve months of service:*** Up to 4 weeks in a rolling 12-month period.
  - ***One year of service or more:*** Up to 12 weeks in a rolling 12-month period
- An extension to a Personal Leave may be considered for unusual circumstances, and it requires the approval of the Regional or District Director of Human Resources or equivalent.

### **IV. Reinstatement**

Associates on leave should provide the HR Manager and HR Services with at least two weeks' notice of the date they intend to return to work. Importantly, if an associate provides less than two weeks' notice, there may be a delay in scheduling their return to work. If an associate fails to return to work at the end of the leave and/or fails to notify the Company of his/her status despite a request to do so, the associate may be deemed to have resigned.



Depending on the duration and timing of the Personal Leave, the position, and the needs of the business, the Company may not be able to hold open an associate's position during a personal leave. Where the Company determines it is unable to hold open the position, the associate will be advised of such and that the Company will make an effort to place the individual in their former position or a comparable position upon return from a Personal Leave of Absence. The Company will attempt to notify the associate prior to the start of the personal leave. However, notification may occur at any time. Associates may be placed in another position that is not equivalent with regard to pay, benefits, schedule and/or job duties.

### **Medical Leave of Absence**

This policy provides information regarding medical leaves of absence. If you're unsure whether this policy applies to you, please contact your HR Representative for additional assistance.

#### **I. Overview**

Macy's, Inc. provides medical leaves of absence to eligible associates who are unable to work due to their own medical condition, including, but not limited to, pregnancy or pregnancy related conditions, and work-related injury or illness. Company medical leave is without pay unless the associate is eligible for short-term disability pay in accordance with Company guidelines, or the associate has available paid time off, which may be substituted for unpaid leave time. Company medical leave may run concurrently with other applicable leaves; It may not be taken on an intermittent or a reduced schedule basis.

#### **II. Eligibility**

An associate may be eligible from the date of hire for Company medical leave of absence.

(Additional leave rights may be available under applicable law).

Temporary/Seasonal and Flex Team associates are not eligible for Company medical leave, but may be eligible for a leave of absence under FMLA, the Americans with Disabilities Act, as amended (ADAAA), or other applicable leave laws.

#### **III. Applying for this Leave**

Requests for leave should be completed through *IN-SITE*. After logging in to *IN-SITE*, associates should select "Leave of Absence" from the Life Events menu. If the associate is unable to complete a request through *IN-SITE*, he or she may call HR Services at 1-800-234-6229 for assistance requesting leave. Generally, if an associate anticipates or knows that he or she will need to be absent for 7 calendar days or more, he or she should request a leave of absence (a shorter period may apply for FMLA leaves) by completing a Request for Leave of Absence form. It is the associate's responsibility to ensure the proper forms have been completed and submitted. Failure to do so may result in denial or delay of Company medical leave.

A Supervisor or Human Resources Representative can initiate the leave request process for the associate, if the associate is unable to initiate it on his or her own and the Company has knowledge that the associate needs a leave of absence.

#### **IV. Documentation**

Certification of the need for leave by a health care provider is required for all medical leaves. Failure to provide certification and/or requested updates may result in a denial or discontinuation of a leave. The certification is to include:

- The date the condition began
- Its expected duration; and
- A statement that the associate is unable to perform the essential functions of his or her position or any other work due to their medical condition. (we should discuss whether we want to limit medical leaves to disabilities - this would be a significant change in direction and should be approved by senior executive team). Associates should contact HR Services, their HR Manager, and Department Manager two weeks before their return to work. Importantly, if an associate provides less than two days' notice, there may be a delay in scheduling the associate's return to work. Generally, associates will not be required to provide a medical certification prior to their return to work; however, an associate returning prior to the original return date is required to provide medical information prior to the return.

#### **V. Leave Duration**

- Under six months of service: 12 weeks in a rolling 12-month period
  - Six or more months of service: 52 weeks in a rolling 12-month period
- Generally, the maximum time allowed for a leave of absence of any kind, or a combination of different types of leave, is 52 weeks. However, there may be exceptions to this 52-week cap based on applicable leave laws, when leave is extended as a reasonable accommodation under the ADA, or in certain circumstances for personal leave.

#### **VI. Reinstatement**

Regardless of whether an employee is on FMLA or similar state leave, in general, an associate returning from a Leave of Absence must be returned to his/her same position. If business needs require the position be filled, the position should be filled on a temporary basis only. If an associate's leave is not covered by FMLA or its state equivalents, an undue hardship review may be available for backfill decisions to cover the associate's area while they are out.

Unless extended leave is approved as an accommodation under the ADA, or similar applicable disability laws, associates who refuse or are unable to return to work upon exhaustion of the approved leave of absence may be terminated. Additionally, if an associate fails to return to work at the end of the leave and/or has failed to notify the Company of their status despite a request to do so, the associate may be deemed to have resigned.

## **Family Medical Leave Act (FMLA) - Associate's Own Serious Health Condition**

This section covers FMLA leave for an associate's own serious health condition that makes the associate unable to perform the associate's job.

### **I. Coverage**

Leave for associate's own serious health condition includes, but is not limited to, pregnancy, prenatal medical care, and childbirth. This leave provides an eligible associate up to 12 work weeks of unpaid leave in a rolling 12 month period.

### **II. Eligibility**

An associate is eligible for FMLA if, at the time the request is made, the following requirements are met:

- **Service Requirement:** The associate must have been employed with the Company (any Macy's Inc. division) for 12 months. While these 12 months need not be consecutive, service performed prior to a break in service of seven years or more does not count (with limited exceptions). The associate may be required to provide evidence of prior service, if the prior service occurred outside the Company's record retention period; and
- **Hours Worked Requirement:** The associate must have worked a minimum of 1,250 hours during the 12-month period immediately preceding the date the leave is scheduled to begin.

FMLA and State leave eligibility may vary for married couples who both work for the Company.

### **III. Definitions**

A "serious health condition" is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical facility, or continuing treatment by a health care provider for a condition that either prevents associate from performing the functions of the associate's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met in a number of ways including: a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider; or one visit to a healthcare provider and a regimen of continuing treatment; or incapacity due to a chronic condition. There may be other conditions that may meet the definition of continuing treatment as defined in the FMLA regulations.

### **IV. Applying for this Leave**

Requests for leave should be completed through *In-site*. After logging in to *In-site*, associates should select "Leave of Absence" from the Life Events menu.

If the associate is unable to complete a request through *In-site*, he or she may call HR Services at 1-800-234-6229 for assistance requesting leave. An associate should give 30 days' written notice of his or her intent to take leave by completing the Request for Leave form, unless such leave is unforeseeable (in which case the associate must give notice as soon as practicable).

## V. Leave-taking Options

FMLA leave may be taken continuously, in blocks of time, or may be taken on an intermittent or reduced schedule leave if medically necessary. If an associate needs to take leave on an intermittent or reduced schedule basis for planned medical treatment, the associate must make a reasonable effort to schedule leave so as not to disrupt the Company's operations.

### • **Reporting Intermittent or Reduced Schedule Leave**

In all cases, if an associate needs to take intermittent or reduced schedule leave, the associate is required to follow the normal call-in procedures to notify their work location.

For FMLA tracking purposes, associates must also report their FMLA time. In order for the time to be recorded and tracked as FMLA time, associates must report their intermittent time via In-site or to the HR Services Leave of Absence team.

To report intermittent time via *In-site*, log in to *In-site* and select "Leave of Absence" from the Life Events menu. After entering the Macy's Leave Management page, select 'Report Intermittent Time' from the menu, then follow the on-screen instructions to report your intermittent time.

For leaves not administered by HR Services, the time must be reported to the HR Representative. This time must be reported within 2 business days upon return to work. If the associate does not self-report the FMLA absence upon their return to work, the absence will be addressed in accordance with the attendance policy (absent extenuating circumstances). If HR Services is closed on the day the associate returns to work, the associate must report on the next HR Services business day.

## VI. Benefits and Pay During Leave

While on a leave of absence, associates may be entitled to receive health benefits or pay based on applicable federal and state law and Company policy. An associate on leave for their own medical condition may be eligible for Short Term Disability Pay. For any leave that is unpaid, associates may be entitled to apply Company Paid Time Off (PTO). For Paid Time Off rules and entitlement follow the PTO policy.

## VII. Reinstatement

Associates should contact HR Services and their HR Representative and Department Manager two weeks before their return to work. Importantly, if an associate provides less than two days' notice, there may be a delay in scheduling the associate's return to work. Generally, associates will not be required to provide a medical documentation prior to their return to work. An associate returning prior to the original return date is required to provide medical information prior to the return. If an associate fails to return to work at the expiration of the leave and/or fails to notify the Company of his/her status or request a leave extension despite the Company's correspondence requesting this information, the associate may be deemed to have resigned. An associate

returning from FMLA leave must be reinstated to the same or equivalent position (equivalent pay, benefits and other terms and conditions of employment). If during the course of the FMLA leave business needs require the position be filled, the position should be filled on a temporary basis only.

### **Family Medical Leave Act (FMLA)- Care for Eligible Family Member**

#### **I. Coverage**

This policy covers FMLA Leave to care for an eligible family member for the following reasons:

- The associate's spouse, son or daughter, or parent has a serious health condition.
- Care of the associate's child after birth.
- Placement of a child with an associate for adoption or foster care.

This leave provides an eligible associate up to 12 workweeks of unpaid leave in a rolling 12 month period.

#### **II. Eligibility**

An associate is eligible for FMLA if, at the time the request is made, the following requirements are met:

- **Service Requirement:** The associate must have been employed with the Company (any Macy's, Inc. division) for 12 months. While these 12 months need not be consecutive, service performed prior to a break in service of seven years or more does not count (with limited exceptions). The associate may be required to provide evidence of prior service, if the prior service occurred outside the Company's record retention period; and
- **Hours Worked Requirement:** The associate must have worked a minimum of 1,250 hours during the 12-month period immediately preceding the date the leave is scheduled to begin.

FMLA and State leave eligibility may vary for married couples who both work for the Company.

The Adoption Policy provides certain benefits for eligible associates. In the event the associate is eligible for leave time under the provisions of the Adoption Policy as well as FMLA, in all circumstances the leave time granted under the provisions of the Adoption Policy will run concurrently with leave time granted under the terms of FMLA.

#### **III. Definitions**

- A "serious health condition" is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical facility, or continuing treatment by a health care provider for a condition that either prevents associate from performing the functions of the associate's job, or prevents the qualified family member from participating in school or other daily activities.
- "Parent" does not include parents-in-law (except under certain state laws).
- For leave to care for a eligible family member, a "son or daughter" means a biological, adopted or foster child, stepchild, legal ward or a child of a person standing "in loco parentis" (meaning persons with day-to-day

responsibilities to care for and financially support a child, or, in the case of an employee, who had such responsibility for the employee when the employee was a child; a biological or legal relationship is not necessary), who is either under the age of 18, or if 18 or older, is incapable of self-care because of a mental or physical disability at the time FMLA leave is to commence.

- Subject to certain conditions, the continuing treatment requirement may be met in a number of ways including: a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider; or one visit to a healthcare provider and a regimen of continuing treatment; or incapacity due to a chronic condition. There may be other conditions that meet the definition of continuing treatment as defined in the regulations.

#### **IV. Applying for this Leave**

Requests for leave should be completed through *In-site*. After logging in to *In-site*, associates should select "Leave of Absence" from the Life Events menu. If the associate is unable to complete a request through *In-site*, he or she may call HR Services at 1-800-234-6229 for assistance requesting leave. An associate should give 30 days' written notice of his or her intent to take leave by completing the Request for Leave form, unless such leave is unforeseeable (in which case the associate must give notice as soon as practicable).

#### **V. Leave-taking Options**

FMLA leave may be taken continuously in blocks of time or may be taken on an intermittent or reduced leave schedule if medically necessary. If an associate needs to take leave on an intermittent or reduced schedule basis for planned medical treatment, the associate must make a reasonable effort to schedule leave so as not to disrupt the Company's operations. Additionally, for planned medical treatment, the associate must give 30 days' notice of the intent to take leave, if practicable.

##### **• Reporting Intermittent or Reduced Schedule Leave**

In all cases, if an associate needs to take intermittent or reduced schedule leave, the associate is required to follow the normal call-in procedures to notify their work location.

For FMLA tracking purposes, associates must also report their FMLA time. In order for the time to be recorded and tracked as FMLA time, associates must report their intermittent time via *In-site* or to the HR Services Leave of Absence team. To report intermittent time via *In-site*, log in to *In-site* and select "Leave of Absence" from the Life Events menu. After entering the Macy's Leave Management page, select 'Report Intermittent Time' from the menu, then follow the on-screen instructions to report your intermittent time.

If the associate does not self-report the FMLA absence upon their return to work, the absence will be addressed in accordance with the attendance policy (absent extenuating circumstances). If HR Services is closed on the day the associate

returns to work, the associate must report on the next HR Services business day.

#### **VI. Benefits and Pay During Leave**

While on a leave of absence, associates may be entitled to receive health benefits or pay based on applicable federal and state law and Company policy. For any leave that is unpaid, associates may be entitled to apply Company Paid Time Off (PTO). For Paid Time Off rules and entitlement follow the PTO policy.

#### **VII. Reinstatement**

An associate returning from FMLA leave must be reinstated to the same or equivalent position (equivalent pay, benefits and other terms and conditions of employment). If during the course of the FMLA leave business needs require the position be filled, the position should be filled on a temporary basis only.

Associates should contact HR Services and their HR Representative and Department Manager two weeks before their return to work. Importantly, if an associate provides less than two days' notice, there may be a delay in scheduling the associate's return to work.

Generally, associates will not be required to provide medical documentation prior to their return to work. An associate returning prior to the original return date is required to provide medical information prior to the return.

If an associate fails to return to work at the end of the leave and/or has fails to notify the Company of his/her status or request an extension despite a request to do so, the associate may be deemed to have resigned.

## **Appendix E - Paid Time Off for Employees Hired pre-2/1/15**

Effective 2/1/15, vacation and personal days will be combined in to one Paid Time Off set of days, which can be used in 3-10 hour increments. The transition is shown below for each group. There is no intent to change the total number of days for any of the pre-2/1/15 Employees, other than to increase the number of days for associates who were hired in the last four years prior to 2/1/15. If a Colleague has been previously "grandfathered" in the system for a number of days that conflicts with the number of days shown on the charts below, the previous grandfathered number of days (provided they are already in the system) will be honored.

The transition for each group (the combining of vacation plus personal days is shown below for explanatory purposes. As of 2/1/15, the total number of days will be in one Paid Time Off category and there will no longer be any distinction between personal days or vacation/PTO, other than provisions listed under Section 31.

Effective 2/1/15, the amount of time to which a Colleague is entitled to have as time off in the fiscal (February-January) Paid Time Off year is listed below:



**REGULAR EMPLOYEES WHO WERE PAID 1300 HOURS OR MORE IN PREVIOUS CALENDAR YEAR**

<b>HIRED PRE-2/1/15 USQ &amp; STONESTOWN VACATION &amp; PERSONAL DAYS TRANSITION</b>			
<b>Full years of continuous service to be reached during upcoming fiscal year</b>	<b>Paid Vacation Days</b>	<b>Personal Days*</b>	<b>Total PTO for those paid 1300 hours or more in previous calendar year</b>
6 mos, but less than 1	0	0	Apply pro-rated grid found in Section 12
1, but less than 2	8	0	8
2, but less than 3	12	0	12
3, but less than 5	14	1	15
5, but less than 15	20	2	22
15, but less than 30	25	3	28
30 or more years	35	3	38

\* Chart is for illustrative purposes. Personal days vary by length of service and hire date, see 2008-2014 agreement for when an employee became eligible for a personal day.

**REGULAR EMPLOYEES WHO WERE PAID LESS THAN 1300 HOURS IN PREVIOUS CALENDAR YEAR**

HIRED PRE-2/1/15 USQ & STONESTOWN VACATION & PERSONAL DAYS TRANSITION			
Full years of continuous service to be reached during upcoming fiscal year	Paid Vacation Days	Personal Days*	Total PTO for those paid less than 1300 paid hours in previous calendar year
6 mos, but less than 1	0	0	Apply pro-rated grid found in Section 12
1, but less than 4	5	0	5
4, but less than 15	10	2	12
15, but less than 30	20	3	23
30 or more years	28	3	31

\* Chart is for illustrative purposes. Personal days vary by length of service and hire date, see 2008-2014 agreement for when an employee became eligible for a personal day.

**PRE 6/15/96 UNION SQUARE EMPLOYEES WHO CHOSE THE "OLD" 1993-96 CONTRACT SCHEDULE  
25 HOURS OR MORE/WEEK**

HIRED PRE-6/15/96 AND CHOSE THIS SCHEDULE IN 1997 UNION SQUARE VACATION & PERSONAL DAYS TRANSITION							
Full years of continuous service to be reached during upcoming fiscal year	Paid Vacation Days includes 1997 birthday and anniversary conversion	Personal Days*	Total PTO for those historically on 5 day base weeks	Total PTO for those on 4 day base weeks	Total PTO for those on 3 day base weeks	Total PTO for those on 2 day base weeks	Total PTO for those on 1 day base weeks
1, but less than 2	7	0	7	6	5	4	3
2, but less than 3	12	0	12	10	8	6	4
3, but less than 5	14	1	15	13	11	9	7
5, but less than 15	20	2	22	19	16	13	10
15, but less than 20	25	2	27	23	19	15	11
20, but less than 30	30	3	33	28	23	18	13
30+ years	35	3	38	32	26	20	14

\* Chart is for illustrative purposes. Personal days vary by length of service and hire date, see 2008-2014 agreement for when an employee became eligible for a personal day.

**PRE 6/15/96 USQ EMPLOYEES WHO CHOSE THE "OLD" 1993-96 CONTRACT SCHEDULE  
LESS THAN 25 HOURS OR MORE/ WEEK**

HIRED PRE-6/15/96 AND CHOSE THIS SCHEDULE IN 1997 UNION SQUARE VACATION & PERSONAL DAYS TRANSITION							
Full years of continuous service to be reached during upcoming fiscal year	Paid Vacation Days includes 1997 birthday and anniversary conversion	Personal Days*	Total PTO for those historically on 5 day base weeks	Total PTO for those on 4 day base weeks	Total PTO for those on 3 day base weeks	Total PTO for those on 2 day base weeks	Total PTO for those on 1 day base weeks
1, but less than 3	7	0	7	6	5	4	3
3, but less than 4	9	1	10	9	8	7	6
4, but less than 10	15	2	17	15	13	11	9
10, but less than 15	20	2	22	19	16	13	10
15, but less than 20	25	2	27	23	19	15	11
20, but less than 30	30	3	33	28	23	18	13
30+ years	35	3	38	32	26	20	14

\* Chart is for illustrative purposes. Personal days vary by length of service and hire date, see 2008-2014 agreement for when an employee became eligible for a personal day.

**PRE 6/15/96 STONESTOWN EMPLOYEES WHO CHOSE THE "OLD" 1993-96 CONTRACT SCHEDULE  
ALL EMPLOYEES**

HIRED PRE-6/15/96 AND CHOSE THIS SCHEDULE IN 1997 STONESTOWN VACATION & PERSONAL DAYS TRANSITION							
Full years of continuous service to be reached during upcoming fiscal year	Paid Vacation Days includes 1997 birthday and anniversary conversion	Personal Days*	Total PTO for those historically on 5 day base weeks	Total PTO for those on 4 day base weeks	Total PTO for those on 3 day base weeks	Total PTO for those on 2 day base weeks	Total PTO for those on 1 day base weeks
1, but less than 2	9	0	9	8	7	6	5
2, but less than 5	14	1	15	13	11	9	7
5, but less than 15	19	2	21	18	15	12	9
15, but less than 30	24	3	27	23	19	15	11
30+ years	29	3	32	27	22	17	12

\* Chart is for illustrative purposes. Personal days vary by length of service and hire date, see 2008-2014 agreement for when an employee became eligible for a personal day.

# My Schedule Plus

## Associate Guide to Options and Availability

**My Schedule Plus** gives you ownership and flexibility. You have the responsibility for your schedule – to accommodate events that come up in your life.

### Options and Availability

**Schedule Option** determines the number of hours and shifts assigned to you and to what degree you want the flexibility to pick up additional shifts to meet your weekly hour's commitment.

**Availability** determines the time of day and day of week when shifts are assigned. The availability choices are linked to the Schedule Option choice. We expect associates to be available every Friday evening, Saturday and Sunday and on Key Days when our business needs are greatest.

Use **Options and Availability** to customize your assigned shifts to fit your lifestyle needs.

- You choose the Option selection that works best for you. See the back of this guide for a complete options list – not all options are available to all associates.
- Options and Availability choices are honored during weekly shift assignment.
- Choices may be updated during the semi-annual selection window.

*Refer to the Selection Window ORC for step by step instructions*

Throughout the year we will ask our associates for their interest to be assigned shifts differently than identified in their Option choice. Choices and expectations for November & December will be published in August, changes may include, but are not limited to, associates being assigned up to 40 hours, up to 5 days per week and longer shift lengths including 10 hour shifts, if needed on some key days.

### Key Days

**Key Days** are extreme business days when we expect all associates to be available to work. You may Open Up your Availability on these days or the system may override your Availability choices to support the business as needed.

- If you are not assigned a shift, plan to pick up a shift on Key Days.
- Use self-service tools to select an open shift that fits your work-life.
- If you are not scheduled for a shift or do not pick up a shift, you may be assigned an open shift in advance of a Key Day.

*Refer to the Key Days & Vacation Planning Guide published seasonally for Spring and Quarterly for Fall*

### Weekly Viewing

In MSP, shifts are attached to schedule areas based on the sales plan needs for the week – associates are matched to the shifts based on their Option/Availability choices and their zone eligibility. All associates have both an Assignment Zone and an Expanded Zone. Assignment Zone is the selling area(s) where associates can be assigned a shift. Expanded Zone is the Assignment Zone plus other areas where associates can perform self service activities.

- View your weekly schedule beginning on the Friday 9 days prior to the work week.
- The published schedule includes assigned shifts and any planning ahead activity you have completed.
- Except on the few weeks having Key Days as noted above, your schedule will not be edited once shifts are published. You are required to use the self-service tools available to manage any needs once shifts are published.

*Refer to the Planning Ahead ORC and Weekly Schedule Management ORC for step by step instructions*

**Right People. Right Place. Right Time.**

### Commitment to Hours

When selecting a schedule option, each associate makes a commitment to hours, which includes being accountable to achieve or maintain status, benefits and other related responsibilities.

This is accomplished by working assigned hours, managing time off and building weekly hours using self-service tools.

#### Options 1, 2 and 3:

- Designed for associates who want the opportunity to work up to 5 days each week – however, working only 4 days on occasion is one of the benefits of choosing Option 2 or 3 with built in flexibility.
- Associates should average between 35 – 40 hours weekly.
- Associates must average 28.0 + weekly hours paid each quarter to retain option.

#### Option 4:

- Associates must average 12.0 + weekly hours paid each quarter to retain option.

#### Option 5:

- Associates must average one shift per week to retain option.

#### Option 6:

- Work requirements as described in the Flexible Work Team program.

#### All Options:

- If Benefits are important to you, keep track of your average hours for those purposes as well.
- Full-Time medical plans, your average hours paid a quarter should not fall below 32.0 hours.
- Part Time benefit plans, your average hours paid a quarter should not fall below 20.0 hours.

Hours/Shifts	Availability	Option Style
<b>Option 1</b> <ul style="list-style-type: none"> <li>• 35-40 hours assigned</li> <li>• 5 days assigned</li> <li>• 6-8 hour shift lengths (excluding meals and breaks)</li> <li>• 5-8 hour shift lengths on Sunday (excluding meals and breaks)</li> <li>• Up to 2 late shifts assigned each week (any shift ending after 7:30pm)</li> <li>• Monthly: 3 Unavailable Days: 2 may be used on Sunday or Saturday</li> </ul>	<ul style="list-style-type: none"> <li>• Select up to 2 mornings (shifts not assigned before 7pm) off (M-F) <b>and</b></li> <li>• Select up to 2 evenings (shifts not assigned after 6pm) off (M-Th) <b>OR</b></li> <li>• Select up to 1 full day off (M-Th) by selecting a morning &amp; evening on the same day <b>and</b></li> <li>• Up to 1 additional morning &amp; 1 additional evening off (not on same day)</li> </ul>	<b>Best suits you if:</b> <ul style="list-style-type: none"> <li>• Available all hours and / or in a specialized job</li> <li>• Prefer shifts to be assigned 100 percent</li> <li>• Prefer to have five shifts assigned to guarantee at least 35 hours per week</li> </ul>
<b>Option 2</b> <ul style="list-style-type: none"> <li>• 28-32 hours assigned</li> <li>• 4 days assigned, balance of hours self-selected</li> <li>• 6-8 hour shift lengths (excluding meals and breaks)</li> <li>• 5-8 hour shift lengths on Sunday (excluding meals and breaks)</li> <li>• Up to 2 late shifts assigned each week (any shift ending after 7:30pm)</li> <li>• Monthly: 3 Unavailable Days: 2 may be used on Sunday or Saturday</li> </ul>	<ul style="list-style-type: none"> <li>• Select up to 2 mornings (shifts not assigned before 7pm) off (M-F) <b>and</b></li> <li>• Select up to 2 evenings (shifts not assigned after 6pm) off (M-Th) <b>OR</b></li> <li>• Select up to 1 full day off (M-Th) by selecting a morning &amp; evening on the same day <b>and</b></li> <li>• Up to 1 additional morning &amp; 1 additional evening off (not on same day)</li> </ul>	<b>Best suits you if:</b> <ul style="list-style-type: none"> <li>• More Flexible</li> <li>• Prefer to pick up additional shifts to obtain desired hours based on personal needs</li> </ul>
<b>Option 3</b> <ul style="list-style-type: none"> <li>• 20-30 hours assigned</li> <li>• Up to 4 days assigned, balance of hours self-selected</li> <li>• 6-8 hour shift lengths (excluding meals and breaks)</li> <li>• 5-8 hour shift lengths on Sunday (excluding meals and breaks)</li> <li>• Up to 2 late shifts assigned each week (any shift ending after 7:30pm)</li> <li>• Monthly: 3 Unavailable Days: 2 may be used on Sunday or Saturday</li> </ul>	<ul style="list-style-type: none"> <li>• Select up to 4 mornings (shifts not assigned before 7pm) off (M-F) <b>and</b></li> <li>• Select up to 4 evenings (shifts not assigned after 6pm) off (M-Th) <b>OR</b></li> <li>• Select up to 2 full days off (M-Th) by selecting a morning &amp; evening on the same day <b>and</b></li> <li>• Up to 1 additional morning &amp; 1 additional evening off (not on same day)</li> </ul>	<b>Best suits you if:</b> <ul style="list-style-type: none"> <li>• Extremely flexible</li> <li>• Prefer to self-select shifts to obtain desired hours</li> <li>• Your availability changes more than twice a year</li> </ul>
<b>Option 4</b> <ul style="list-style-type: none"> <li>• 12 - 20 hours assigned</li> <li>• Up to 4 days assigned, additional shifts self-selected</li> <li>• 3-8 hour shift lengths (3 hour shifts assigned after 6pm only) (excluding meals and breaks)</li> <li>• Monthly: 3 Unavailable Days: 2 may be used on Sunday or Saturday</li> </ul>	<ul style="list-style-type: none"> <li>• Associates must be available Friday evenings, Saturday and Sunday</li> <li>• Associates then modify their additional availability on weekdays, using selections on the availability menu</li> </ul>	<b>Best suits you if:</b> <ul style="list-style-type: none"> <li>• You have a primary job</li> <li>• College Student</li> <li>• Your availability changes more than twice a year</li> </ul>
<b>Option 5</b> <ul style="list-style-type: none"> <li>• 3-8 hours assigned.</li> <li>• Up to 2 days assigned, additional shifts self-selected</li> <li>• 3-8 hour shift lengths (3 hour shifts assigned after 6pm only) (excluding meals and breaks)</li> <li>• Monthly: 3 Unavailable Days: 2 may be used on Sunday or Saturday</li> </ul>	<ul style="list-style-type: none"> <li>• Associates must be available Friday evenings, Saturday and Sunday</li> <li>• Associates then modify their additional availability on weekdays, using selections on the availability menu</li> </ul>	<b>Best suits you if:</b> <ul style="list-style-type: none"> <li>• Extremely Flexible</li> <li>• You have a primary job</li> <li>• College Student</li> <li>• Your availability changes more than twice a year</li> </ul>
<b>Option 6</b> <ul style="list-style-type: none"> <li>• All shifts are self-selected</li> <li>• Requested to work on Key Days and if not self-selected a shift may be assigned to you</li> <li>• Subject to additional work requirements based on business needs</li> </ul>	<ul style="list-style-type: none"> <li>• Expected to be available to pick up shift to work on Key Days and to initiate shift pick up based on personal availability to meet FWT hours commitments</li> </ul>	
<b>All Options</b> <ul style="list-style-type: none"> <li>• Throughout the year we will ask for interest to be assigned shifts differently than Option choice</li> <li>• During November / December:</li> <li>• Hours / Shifts may be adjusted, Holiday AGOA available in August</li> <li>• Unavailable Days may not be used in December</li> </ul>	<ul style="list-style-type: none"> <li>• On any Key Day, the system may override your Availability choices to support the business as needed</li> </ul>	Note: The needs of both our Customers and our Associates change. Naturally, the Company retains the right to modify My Schedule Plus

For Associates working in California, Nevada and Puerto Rico. Generally, in California, Nevada and Puerto Rico, the MSP system will not assign nor may an associate self select shifts of more than 7.5 hours in a day and/or shifts totaling more than 39 hours in a work week.

Note Standard Version

**Appendix G - Grade Groups for Layoff, Reduction of hours, or Recall per Section 18.D.**

Group A: Grade F1B

Group B: Grade 1, 2B, E

Group C: Grade 4 (Cosmetics/Fragrances)

Group D: Grade 5A1, 5A2, 5B1

Group E: Grade 5C1

Group F: Grade B1, C1B, C2, D2

Group G: Grade H

Group H: Grade G

Group I: Grade 5B2 (Big Ticket)

Group J: F1BN

## Appendix H - Health, Safety, and Security

### A. SAFETY COMMITTEE

1. The Company agrees that it will provide a safe and healthy workplace and agrees to correct any unsafe condition or safety or health hazards as soon as possible. This includes the Company's commitment to comply with all federal, state, and local laws and regulations. The Company agrees to promptly investigate all hazards, unsafe conditions, and accidents brought to its attention and to promptly remedy all hazards and unsafe conditions its investigation reveals. The Company will furnish, at its expense, all safety and protective equipment required or advisable for the protection of Colleagues. Nothing herein is intended to limit the Company from providing additional Health and Safety programs and training.
2. The Company shall maintain a Health and Safety Committee for the store. The Committee shall include up to two (2), but not less than one (1), bargaining unit representatives from that floor who shall be included in meetings and/or other activities of the Committee. Committee members shall remain clocked in while attending Committee meetings and/or completing assigned activities as outlined in the Safety Program. The Committee may include up to an equal amount of Company representatives not to exceed fifty percent (50%) of the Committee. Each Committee member shall receive annual safety inspection training to properly conduct their committee duties. A record of annual safety inspection training will be provided to the Union upon request.
3. Safety Committee members are required to attend Safety Committee meetings when scheduled to work and participate in the other safety activities as outlined in the safety program. The Company will make every effort to schedule monthly safety meetings at times that maximize participation, and shall endeavor to have at least forty-five percent (45%) of the bargaining unit committee members present. The parties agree meetings will still commence if less than 45% of the committee members are present. Committee members may resign during their term and the Company shall endeavor to replace them within a reasonable amount of time.
4. The minutes of the Committee shall be sent to the Union to ensure hazards and unsafe conditions are addressed in a timely fashion by the Company upon request.
5. In the event a Colleague encounters an unsafe situation, the Colleague should first contact their People Leader to make them aware of the

situation. If no action is taken, or the Supervisor's response is unacceptable to the Colleague, the Colleague should escalate the matter to Senior Leader, up to the Store Manager. Colleagues are not discouraged from communicating with Safety Committee members.

6. The dedicated Safety compliance board shall be located in the hallway adjacent to the main colleague breakroom.

## **B. Asset Protection (AP)**

1. The Company and the Union understand the importance of providing a safe work site that reduces the possibility of a Colleague being harmed by members of the public. The Company and the Union will collaborate together to address meaningful improvements with the City and County of San Francisco to improve the overall security of the store and Union Square.
2. Colleagues are to alert management immediately upon encountering an unsafe interaction with a member of the public. Management will promptly respond to the alert to begin de-escalation practices. In the event de-escalation is clearly not working, management, or their designee, will contact the AP team as soon as possible to ensure Colleague and customer security. The Safety Committee and store management will develop a system to alert Colleagues to safety incidents that are, or could, impact the Colleagues.
3. The Company will endeavor to have 3 AP Colleagues working in the store at all times the store is open for business. AP Colleagues will prioritize de-escalation support when contacted by management, or their designee.
4. The Company will endeavor to have an off-duty law enforcement officer present at all times the store is open outside of normal business hours (Holidays for example).

## **C. TRAINING**

1. The Company will provide safety training annually, including on demand active shooter training and de-escalation training to every Colleague. These trainings may be accomplished in person or through computer based training modules. If they are done through modules, the Colleague must be relieved of all other duties to complete the training. A record of training will be sent to the Union upon request.
2. Draw vs Commission Colleagues will be paid draw not deducted against commissions for approved safety training.



3. If the Company conducts activities and contests to promote overall Safety and Health awareness the Colleagues will be able to participate.
4. Emergency drills shall be conducted quarterly. The Company understands the importance of training Colleagues on emergency preparedness and will endeavor to include Weekend/Evening Colleagues when scheduling emergency drills.

**LETTER OF UNDERSTANDING**  
**BETWEEN**  
**UFCW LOCALS 5**  
**AND**  
**MACY'S**

**THIS AGREEMENT** is entered into by and between **UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 5** hereinafter referred to as the Union, and **MACY'S**, hereinafter referred to as the Company.


Upon ratification, regular, full-time Support and Sales Colleagues will be offered a one-time voluntary severance offering ("VSO") as follows. These Support and Sales Colleagues must notify the Company no later February 18, 2023 of their acceptance of the VSO. Colleagues accepting such VSO will be separated on March 3, 2023 and paid the agreed upon severance payment at that time. On-call colleagues are not eligible for the VSO.

1. Support and Sales Colleagues with twenty-six (26) or more full years of completed service:
  - a. Two (2) weeks of VSO pay for each full year of completed service as measured from the most recent date of hire (as determined for non-retirement benefit purposes). Minimum of two (2) weeks of and a maximum of fifty-two (52) weeks VSO.
2. Support Colleagues with twenty-five (25) or less full years of service:
  - a. Support Colleagues must be in a regular position and have completed one year of service as of the date of ratification.
  - b. One (1) week of VSO pay for each full year of completed service as measured from the most recent date of hire (as determined for non-retirement benefit purposes). Minimum one (1) week and a maximum of twenty-five (25) weeks.
3. Additional terms for all Colleagues who elect and accept VSO:
  - a. VSO payments are calculated using the hourly rate used for PTO purposes and the average weekly hours paid during the prior twelve (12) months.
  - b. Colleagues must elect to take the VSO and sign a full release of claims against the Company.

- c. VSO payment will be made in a lump sum, less applicable taxes.
  - d. VSO payments will be made within fourteen (14) calendar days following the colleague's signature on the general release provided they do not revoke the signature during the revocation period.
  - e. VSO payments will be made via direct deposit. If direct deposit is not available, a check will be mailed to the Colleague's last known address on file.
  - f. Receipt of a VSO payment shall extinguish all rehiring, recall, and seniority rights. Accordingly, VSO payments shall not be payable to a Colleague who is on a recall list pursuant to Section 18.
  - g. The last day worked will be March 3, 2023.
4. The Company will first offer the sales position to Merchandise Handlers on a volunteer basis. If an insufficient number of Merchandise Handlers volunteer for the Sales position, each least senior Merchandise Handler will be offered (1) to go into Sales position; (2) be laid off; or (3) bump the least senior part-time F1B Colleague and the least senior part-time F1B Colleague becomes displaced.
  5. Full-time benefit eligible Merchandise Handlers transitioning to a Sales Colleague will maintain the same weekly assigned hours (i.e., 40 hours per week, 37.5 hours per week, etc.). Scheduling shall be done using the same policies and procedures as Selling Colleagues.

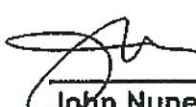
ON BEHALF OF:

MACY'S INC.

 5-22-2023  
 \_\_\_\_\_  
 Chanell Bracey-Davis Date

ON BEHALF OF:

UFCW LOCAL 5

 5/15/2023  
 \_\_\_\_\_  
 John Nunes Date