MCKESSON PHARMACEUTICAL
#1 COMMERCE DRIVE
O'FALLON, MISSOURI

and

UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 655

March 14, 2021

through

March 14, 2024

TABLE OF CONTENTS

AGREEMENT 1

ARTICLE I: SCOPE OF THE AGREEMENT 1

ARTICLE II: UNION RECOGNITION AND MEMBERSHIP 1

ARTICLE III: HOURS OF WORK 3

ARTICLE IV: HOLIDAYS 4

ARTICLE V: VACATIONS 6

ARTICLE VI: SENIORITY 7

ARTICLE VII: SHOP STEWARD 9

ARTICLE VIII: RIGHTS OF UNION REPRESENTATIVES 9

ARTICLE IX: BULLETIN BOARDS 10

ARTICLE X: CAUSES FOR DISCHARGE 10

ARTICLE XI: GRIEVANCE PROCEDURE 10

ARTICLE XII: INTERRUPTIONS OF WORK 12

ARTICLE XIII: WAGE MATTERS 13

ARTICLE XIV: FUNERAL LEAVE 14

ARTICLE XV: SICK LEAVE PROVISION 14

ARTICLE XVI: MANAGEMENT RIGHTS 15

ARTICLE XVII: MANAGEMENT AND SALES TRAINEES 15

ARTICLE XVIII: MERCHANDISE PROTECTION 16

ARTICLE XIX: MANAGEMENT/UNION LEAVE 16

ARTICLE XX: DURATION OF AGREEMENT 16

HOURLY WAGE SCHEDULE 18

NEW HIRE PROGRESSION HOURLY WAGE SCHEDULE 18

NIGHT SHIFT PREMIUM SCHEDULE 18

LETTER OF UNDERSTANDING - ATTENDANCE POLICY 19

LETTER OF UNDERSTANDING – BLACK-OUT DATES 20

LETTER OF UNDERSTANDING FOUR (4) DAY TEN (10) HOUR SHIFTS 21

LETTER OF UNDERSTANDING – PART-TIME EMPLOYEES 21

JOINT LABOR-MANAGEMENT COMMITTEE 22

AGREEMENT

This Agreement, made and entered into on the date(s) indicated herein, to be effective from March 14, 2021 to March 14, 2024, by and between McKesson Pharmaceutical, St. Louis Distribution Center, located at #1 Commerce Drive, O'Fallon, Missouri, 63366, hereinafter referred to as the "COMPANY", and the United Food and Commercial Workers Union Local 655, hereinafter referred to as the "UNION".

ARTICLE I: SCOPE OF THE AGREEMENT

SECTION 1

This Agreement covers certain warehouse employees who are specifically listed in the job classification included in the wage schedule attached and pertains to the wages, hours, terms and conditions of work expressly described herein. The Company agrees to consult with the Union upon any desired changes in classifications.

SECTION 2

Excluded from this Agreement are supervisory, managerial, administrative, office, clerical, janitorial/maintenance, professional, sales, Management/Sales trainees, confidential employees, and guards. However, such excluded personnel will not perform any of the work ordinarily done by employees covered by this Agreement, except when there is temporarily an insufficient number of qualified employees readily available to perform the necessary work, for purposes of instruction or in cases of emergency; the Company will notify the Shop Steward that an emergency exists if practical to do so.

ARTICLE II: UNION RECOGNITION AND MEMBERSHIP

SECTION 1

The Company recognizes the Union as the sole collective bargaining agent representing all of its' warehouse employees who are included in job classifications listed in the wage schedule attached, in matters relating to wages, hours, and working conditions.

SECTION 2

As a condition of employment, all employees subject to the provisions of this Agreement shall become members of the Union on or after the thirty-first (31st) day following the beginning of such employment or the execution of this Agreement, whichever is later.

SECTION 3

The Company agrees to deduct the Union initiation fee and periodic dues on each pay period of each month from the wages of those employees who individually and voluntarily authorize the Company to do so. The total deductions will be paid to the

proper officials designated by the Union. Such deduction authorization will be in a form provided by the Union. Both the Union and employees agree to hold the Company harmless for any claims resulting from the execution of fees and dues deductions by the Company as it relates to this labor agreement.

The Company agrees to deduct, from the paycheck of all employees covered by this Agreement, voluntary contributions to the ABC. ABC will notify the employer of the amounts designated by each contributing employee that are to be deducted from their paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Company will transmit to ABC on a monthly basis, in one check, the total amount deducted, along with the name of each employee on whose behalf a deduction is made, the employee's Social Security number and the amount deducted from that employee's paycheck.

SECTION 4
Any employee who fails to become a member of the Union as specified above, or who fails to maintain membership in good standing, shall be subject to immediate discharge upon written notice from the Union to the Company. Membership in good standing shall be defined for purposes of this Labor Agreement as meeting the financial obligations as covered under the Agreement as well as the financial obligations of the Local Union.

SECTION 5
The Employer and the Union agree that unlawful discrimination and unlawful harassment will not be tolerated in the workplace. The Employer and the Union agree that they will not discriminate against employees or applicants because of race, color, religion, sex (including pregnancy and childbirth), sexual orientation, gender identity or expression, pregnancy, marital status, national origin, citizenship, military or veteran status, ancestry, age (40 or over), physical or mental disability, medical condition, genetic characteristic, genetic information or any other characteristic made unlawful by applicable federal and state laws. Equal employment opportunity will be extended to all persons in all aspects of the employment relationship, including retirement, hiring, upgrading, training, promotion, transfer, compensation, benefits, discipline, layoff, recall and termination.

It is also the policy of the Employer not to discriminate against the employees on the basis of their Union activities or because they exercise their rights under the National Labor Relations Act.

SECTION 6
Work rules and policies which apply to bargaining unit employees, and changes thereafter, will be given to the Union at least thirty (30) days, if operationally feasible, prior to the implementation.

ARTICLE III: HOURS OF WORK

SECTION 1

The work week, exclusive of such time per day taken for lunch (which lunch time shall not be in excess of thirty (30) minutes per day without the consent of the Company, and which shall, to the extent practical, be centered in the middle of the work day) shall consist of forty (40) worked hours per work week, starting and quitting time to be at the reasonable discretion of the Company. Work performed in excess of forty (40) hours per week shall be considered overtime and be paid for at the rate of time-and-one-half of the regular pay. There shall be a minimum of four (4) hours work or pay for hours worked on days other than regularly scheduled workdays. This guarantee does not apply should the employee quit, be discharged or decline or refuse to do the work available.

Approved vacation, approved floating holidays, paid sick days, bereavement, and jury duty will count as work performed for purposes of defining a 40 hour work week.

Overtime shall be offered by seniority and job classification among the employees present and qualified to do the work when the need for overtime arises. Employees shall not be required or compelled to work overtime as defined above. However, if an insufficient number of employees volunteer, then qualified employees may be required to work by inverse order of seniority.

Nothing herein shall be construed as a limitation of the Company's right to require a reasonable amount of overtime work. If required to work overtime, the employee will be expected to do so as a condition of their continued employment. Reasonable overtime is defined as the time needed by the distribution center to efficiently satisfy the needs of our customers.

The Company may determine at their discretion to use Fly-Away help. No employees' regular forty-hour schedule will be displaced by the use of Fly-Away help.

SECTION 2

Two fifteen (15) minute rest periods will be granted daily, one during the first half of the work shift and one during the second half of the work shift, at a time designated by the Company.

SECTION 3

A fifteen (15) minute rest period will be granted at approximately the end of the regular shift (but no later than 45 minutes thereafter) if the supervisor anticipates more than one and one half (1 ½) hours or more of overtime work will be required. A fifteen (15) minute rest period will also be granted for each additional one and one half (1 ½) hours of overtime worked.

SECTION 4

When overtime work in excess of one and one half (1 ½) hours is required, the Company shall notify the employees no later than the second scheduled paid break if operationally feasible.

SECTION 5
All work performed on the sixth (6th) workday within the work week shall be compensated at the rate of one-and-one-half ($1^1/_2$) times the regular straight-time rate.

All work performed on the seventh (7th) workday within the work week shall be compensated at two (2) times the regular straight-time rate.
Notification of the need for work on a sixth (6th) or seventh (7th) day will be given by the end of second preceding shift, provided such notice is operationally feasible.

SECTION 6
Employees who shall report for work, not having been notified not to report, shall receive the hours of pay for which the employee(s) were scheduled at the regular hourly rate. Such guarantee does not apply should the employee quit, be discharged, refuse to do the available work, or work is not available due to conditions beyond the Company's control.

It is the responsibility of the employee to provide the Company with accurate contact information. If the Company is unable to contact an employee to schedule work hours, due to inaccurate contact information provided by the employee, there will be no guarantee of scheduled hours.

SECTION 7
At current staffing levels, there will be two (2) positions on days and three (3) positions on nights (two on Sunday), not to exceed 50% of a job classification on a shift, to cover employees who are away from work. If business conditions warrant a change in these staffing levels, the Union will be given 30 days' notice of such change.

SECTION 8
The Company shall not require employees to report to work at a changed start time without one (1) week notice of such change. When the employees are required to report to work with less than a one week notice, due to a pre-shift meeting, employees will not be subject to any disciplinary action for failure to report early for the meeting so long as the employee has notified management of the employee's inability to report early at least twenty-four (24) hours prior to the start of the meeting. This twenty-four (24) hour requirement will be waived if a twenty-four (24) hour notice by the company is not given for pre-shift meeting.

ARTICLE IV: HOLIDAYS

SECTION 1
The following holiday shifts shall be granted with full pay (including shift differentials) to employees who have completed the probationary period provided, however, that the employee has worked the complete work shift immediately preceding and following such holiday shift:

New Year's Day Thanksgiving Day
Memorial Day Christmas Day

Independence Day Labor Day
Five (5) Floating Days

All employees shall receive one (1) additional floating holiday after ten (10) years of service.

SECTION 2
After one (1) year of service, employees shall receive a pro-rata portion of the Floating Holidays for the time period between their first anniversary date and the following April 1, as follows:

Anniversary Date Occurs In:	# of Floating Holidays
April, May, June	5
July, August, September	4
October, November, December	3
January, February, March	1

SECTION 3
If one of the aforementioned holiday shifts falls on a day which is not a regularly scheduled workday, the Company has the option of designating the last previous workday or the next following workday as the holiday, and also may, at its discretion, assign a certain group of employees to work on the last previous workday and the other group of employees to work on the next following workday, in order to provide uninterrupted service to customers. Furthermore, the employee may choose eight (8) hours pay in lieu of observing such holiday shift or may schedule such holiday shift as a Floating Day, provided the company can allow the additional day(s) added to the vacation schedule.

The application of this provision shall be on the basis of seniority and shift provided ability, competence, and performance are equal as determined by the Company.

When operationally feasible, the Company will give two (2) weeks' notice regarding the observance of holiday shifts which fall on days which are not regularly scheduled workdays.

SECTION 4
Employees must have completed one (1) year of service to be eligible for the Floating Days. Floating Days may be used one (1) day at a time on any day mutually agreeable to both the Company and the employee.

SECTION 5
Employees required to work on a holiday shift shall be compensated at double-time for all hours worked in addition to holiday pay.

ARTICLE V: VACATIONS

SECTION 1
The Company shall grant to its present employees vacations with pay, effective April 1st

of each year, upon the following basis of service:

One (1) week vacation with pay upon completion of one (1) year employment. Two (2) weeks vacation with pay upon completion of two (2) years employment. Three (3) weeks vacation with pay upon completion of six (6) years employment. Four (4) weeks vacation with pay upon completion of fifteen (15) years employment.

After one (1) year of service, employees shall receive a pro-rata portion of the initial vacation week for the time period between their first anniversary date and the following April 1, as follows:

Anniversary Date Occurs In:	# Days Vacation
April, May, June	5
July, August, September	4
October, November, December	3
January, February, March	1

SECTION 2
Vacation allowance shall be on the basis of a forty (40) hour week, at straight-time pay (including shift differential).

SECTION 3
Vacations are to be granted at any time mutually agreeable to the employee and the Company. The Company may, at its discretion, divide the three (3) weeks vacation allowance into two (2) periods, one of two (2) weeks and one of one (1) week. Employees entitled to three (3) weeks vacation and desiring to take it at one time may apply to the Company for permission to do so and, if it does not conflict with the needs of the business, such permission may be granted.

Vacations will be scheduled by seniority within classification/department and shift, with due consideration for efficient operations. Any employee who is terminated, laid off, or quits shall be entitled to earned, accrued and unused vacation time. The vacation selection process will begin by December 15th of each year. Vacations will be approved by the company in writing no later than March 1st of each year.

SECTION 4
In the event that any of the holidays listed in this Agreement are observed in a work week which occurs during a vacation period of an employee, such employee shall have

an additional day added to this vacation period or pay in lieu thereof at the discretion of the Company.

SECTION 5
Employees must work 1730 hours in the preceding vacation year in order to be eligible for full vacation benefits in the current vacation year. Employees who work fewer than 1730 hours in the preceding year shall receive pro-rated vacation benefits based on one-tenth (1/10) of the full vacation for each 173 hours worked.

ARTICLE VI: SENIORITY

SECTION 1
New employees shall be deemed Probationary Employees, on a trial basis, until they have been employed for a period of one hundred twenty (120) calendar days after which time they shall become regular employees of the Company. Probationary Employees may be discharged at any time within the one hundred twenty (120) calendar day trial period.

Absence from work will extend the probationary period for a period of time equivalent to the length of such absence.

SECTION 2
Seniority shall be the governing factor in all cases of layoff and rehiring as defined below. The last hired shall be the first person to be laid off and in rehiring, the last person laid off shall be the first to be rehired, provided, however, that the senior employee is fully qualified and able to perform the available work. In no case shall any new help be hired until all persons laid off are reinstated, provided those laid off report to work as requested provided further that such persons are fully qualified and able to efficiently perform the available work.

SECTION 3
It is agreed that the Company shall have the right to reduce the force of employees at any time because of fluctuations of work requirements.

SECTION 4
In all cases of promotion and transfer to a different job classification or shift preference seniority shall be the governing factor, provided ability, competence, and performance are equal as determined by the Company. The job opening will be posted for seven (7) calendar days. Job transfers shall be determined by seniority, first within shift, then by plant seniority. The posted job shall be awarded within 7 days from when the posting comes down and shall be filled by the successful bidder within ninety (90) calendar days.

The Company shall reserve the right to adjust the schedules of part-time employees within the shift based on changing business requirements. Additional part-time positions will continue to be bid. The process shall not prohibit part-timers from bidding on full-time positions, nor will it prohibit full-timers from bidding on additional part-time positions.

SECTION 5
An employee shall lose his/her seniority and employment terminated for the following reason:

A. Discharge.

B. Resignation.

C. Layoff or absence from work for any reason whatsoever for a period which exceeds the employee's length of seniority not to exceed twelve (12) months.

D. Failure of a former employee to report within three (3) workdays after the date of a recall notice by the Company to the former employee's address of record, unless acceptable proof of illness or other reason satisfactory to the Company is given for a delay in reporting.

E. Absence for three (3) consecutive workdays without properly notifying the Company and providing an explanation which is satisfactory to the Company.

F. Failure to return from a leave of absence or vacation on the approved return to work date without properly notifying the Company and providing an explanation which is satisfactory to the Company.

SECTION 6
The Company shall notify the Union of all layoffs, promotions, transfers, and separations. Once each month, the Company will submit to the Union a list of bargaining unit employees hired during the previous month.

SECTION 7
The Company shall submit to the Union, on a quarterly basis, a current seniority list which includes name, social security number, hire date, classification, and wage rate.

SECTION 8
Seniority shall be defined as the employee's length of continuous service with the Company, or date of entry into the bargaining unit, whichever is later. Plant seniority shall prevail in all layoffs and recalls.

ARTICLE VII: SHOP STEWARD

SECTION 1

The Grievance Committee shall consist of the Steward, a Union Representative and the grievant(s). If a conference with Management and an employee is desired, the employee and the Shop Steward, accompanied by the Union Representative, if desired, may take part in the conference after working hours, or in the event of an emergency, during working hours, provided it interferes in no way with the normal flow of business.

SECTION 2

The Company recognizes the need for the Shop Steward to occasionally contact members of the Union during working hours to perform his/her stewardship duties. S/he shall suffer no loss of pay for the time required to perform these duties, provided such duties are performed on the Company premises and after s/he has secured permission to leave his/her work station. It is understood that these absences from his/her workplace shall be confined to reasonable frequency and duration.

Employees serving as representatives or shop stewards of the Union shall upon two (2) weeks notice be granted an unpaid leave of absence to attend scheduled meetings or conferences or to attend to other union duties provided it does not cause an undue hardship on the Company. However, at the request of the employee, when attending Union business of less than four (4) hours, he/she will have his/her daily work schedule adjusted when operationally feasible.

ARTICLE VIII: RIGHTS OF UNION REPRESENTATIVES

SECTION 1

No employee shall solicit membership in any Union or any other organization during working hours.

SECTION 2

Duly accredited representatives of the Union shall be admitted to the premises of the Company during working hours after identifying him/herself with management, and with the consent of management. The purpose of such visits shall be limited solely to ascertain whether this Agreement is being observed by the parties and to participate when necessary in settling a grievance as outlined in the "Grievance Procedure" as contained herein. Such visits shall be limited to reasonable frequency and duration and shall in no way interfere with the efficient operations of the business. As with any visitor, the Union agrees that any Union Representative will comply with all standard Company security procedures.

ARTICLE IX: BULLETIN BOARDS

The Union shall have the privilege of the use of bulletin boards in the various departments where members are employed for the purpose of posting official notices of meetings and other information deemed necessary for the benefit of the member employees, after receiving approval of management.

ARTICLE X: CAUSES FOR DISCHARGE

SECTION 1
Employees may be subject to immediate discharge or other disciplinary action by the Company for dishonesty, illegal use of drugs or narcotics, drinking on duty, refusal to carry out a work assignment, violation of Company rules, insobriety, or other just cause.

SECTION 2
A disciplined or discharged employee may, if s/he so desires, appeal his/her discipline or discharge through the Grievance Procedure, providing s/he makes such appeal within five (5) workdays of the Company's action, or such grievance shall be waived for all purposes.

ARTICLE XI: GRIEVANCE PROCEDURE

SECTION 1
Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort made on the part of both parties to settle same promptly through the following steps:

FIRST STEP: If an employee has a grievance, s/he will consult his/her Supervisor for clarification and verbally notify the Supervisor of the grievance within three (3) of the employee's workdays of the alleged occurrence of the grievance. If the employee wishes, s/he may have a Union Representative accompany them through the various steps. His/her Supervisor shall attempt to adjust the complaint within three (3) workdays from the date that s/he is notified that the grievance exists.

In the matter of a suspension or termination, Step 1 will be waived and the grievance procedure will begin with Step 2.

SECOND STEP: If the matter is still unresolved, the grievance shall be submitted in writing by the employee to the Distribution Center (General) Manager and the Union within five (5) of the employee's workdays from the Supervisor's response or such grievance shall be waived. In the case of suspension or termination, the employee will have five (5) business days to submit the grievance in writing to the Distribution Center (General) Manager. The written grievance must specify

the facts of the alleged contract violations, the specific contract provisions allegedly violated and the specific remedy sought. The Distribution Center Manager shall attempt to adjust the complaint and shall reply in writing not later than five (5) business days from the date the written grievance is received. The written decision given in this step shall be final and unappealable to Step 3 unless appealed in writing within five (5) business days from the date the decision is received by the employee under this step.

THIRD STEP: If the grievance is not settled in the second step, there shall be a meeting of the parties involved, namely, the employee, the Distribution Center (General) Manager, the Shop Steward, the Union Representative, and Management, who shall attempt to adjust the complaint. The Company shall give its final answer in writing, not later than five (5) business days from the date of this meeting. The written decision given in this step shall be final and unappealable to Step 4, unless appealed in writing within five (5) business days from the date the decision is given under this step.

FOURTH STEP: Any dispute between the Company and the Union relating to the interpretation of the terms of this Agreement, not resolved by the above procedure, may be submitted to arbitration:

A. In the event that no satisfactory settlement is reached under the foregoing procedure, or,

B. If the Company and the Union have a grievance which they cannot settle between themselves.

SECTION 2
If the parties cannot agree upon an impartial arbitrator within ten (10) workdays from the date arbitration is invoked, the selection of an arbitrator shall be made from a panel of seven (7) arbitrators provided by the Director of the Federal Mediation & Conciliation Service.

SECTION 3
In any case in which the employee is aggrieved and the Union promptly notifies the employee that is does not intend to request arbitration after the Step 3 meeting, the time for requesting arbitration shall be stayed pending the employee's exhaustion of internal Union appeals to the Union's Executive Board.

The Company will be notified of the Executive Board's decision to move to arbitration no later than ninety (90) days from the Company's response in Step 3.

SECTION 4
The arbitrator's decision shall be final and binding upon both the Company and the Union, but in no case shall the arbitrator have the power to add to, subtract from, or modify any of the terms of this agreement, nor shall he substitute his discretion for that

of the Company or the Union where such discretion has been retained by the Company or the Union, nor shall he exercise any responsibility or function of the Company or the Union. The arbitrator in discharge or disciplinary cases cannot substitute his judgment for management's, and can reverse or modify the Company's action only if he finds that such discharge or disciplinary action is not supported by the evidence or that the company's action is arbitrary or is in bad faith.

SECTION 5
The fees of the arbitrator shall be borne equally by the Company and the Union, but the Company and the Union shall respectively bear the expense of their own representatives, if any. However, should either party postpone a scheduled arbitration date; that party shall be responsible for any cancellation fee.

SECTION 6
Any grievance not presented to the Company as provided above shall be waived for all purposes. Failure to take any of the steps specified in this article within the time limits prescribed shall constitute an irrevocable abandonment of the grievance and arbitration. The time limits described herein may be extended by written mutual agreement.

SECTION 7
The jurisdiction of the arbitrator is limited to whether or not a specific provision of this labor agreement has been violated.

SECTION 8
It is understood that any discharged employee who is reinstated as a result of arbitration, in order to be eligible for any back pay, must have made every reasonable effort to obtain employment during the period of discharge.

SECTION 9
All monies received by any discharged employee reinstated as a result of any arbitration from any employment during the period of discharge or from unemployment benefits shall be deducted from any back pay award.

SECTION 10
Any award of back pay cannot exceed past 30 days prior to the date the grievance was filed.

ARTICLE XII: INTERRUPTIONS OF WORK

SECTION 1
The Company agrees that there shall be no lockout during the terms of this Agreement.

SECTION 2
In return, the Union agrees that during the term of this Agreement, it will not aid, abet, assist, authorize, or participate in any strike, stoppage of work, or slowdown of any kind whatsoever, directly or indirectly.

SECTION 3
In the event of an unauthorized strike, stoppage of work, or slowdown, the Union further agrees that it will use every means to effect the immediate return to work of such employees as may be involved, or the correction of slowdown or other interference with Company operations.

SECTION 4
Should the Union's efforts fail to effect the immediate return of any such employees, or the correction of any slowdown or other willful interference with Company operations, it is understood and agreed that the Company may take whatever action it deems fit in dealing with such employees.

SECTION 5
However, if the employee feels that s/he has been unjustly accused, s/he may, if so desired, appeal such action through the Grievance Procedure, provided such appeal is made within three (3) workdays of the Company's action.

ARTICLE XIII: WAGE MATTERS

SECTION 1
The Wage Schedule attached sets forth a list of classifications of work covered by this Agreement together with the respective hourly rates for such classifications.

SECTION 2
Any employee temporarily transferred to a higher-rated job for more than three (3) hours shall be paid at the higher rate for all the time worked that day.

SECTION 3
Any employee temporarily transferred to a lower-rated job shall be paid at his/her regular rate for all time worked on such lower-rated job.

SECTION 4
It is understood and agreed that the Company may, at its discretion, and in the interest of business, transfer employees from job to job in accordance with the provisions recited above.

SECTION 5
Wages shall be paid either weekly or biweekly as best suits the operational needs of the Company and providing that one (1) month's advance notice of any such change is provided to employees.

ARTICLE XIV: FUNERAL LEAVE

Upon completion of the probationary period, regular, full-time and part-time employees shall be granted up to three (3) days off work with pay, for the death of an immediate family member. Funeral Leave pay shall not exceed the employee's regular daily work schedule.

"Immediate family" is defined as the employee's husband or wife, child, mother or father, step-parents, step-children, brother or sister, grandparents, grandchild, mother-in-law or father-in-law, brother-in-law or sister-in-law, son-in-law, daughter-in-law, domestic partner or children of domestic partner or any other person with an acknowledged dependent relationship.

Upon completion of the probationary period, regular, full-time employees and part-time employees shall be granted one (1) day off of work with pay in the event of the death of their domestic partner's parent and grandparent. Funeral Leave pay shall not exceed the employee's regular daily work schedule.

Upon completion of the probationary period, regular, full-time and part-time employees shall be granted one (1) day off work without pay and no penalty in the event of the death of their Aunt, Uncle, Nephew or Niece.

The purpose of Bereavement Leave is to attend the funeral and/or activities related to the death.

Bereavement Leave is not applicable when the employee is on holiday, paid sick days or STD.

ARTICLE XV: SICK LEAVE PROVISION

SECTION 1

All employees who have completed one (1) year of service shall be eligible for five (5) paid sick days each January 1st. Employees completing one (1) year of service shall be eligible for a pro–rata portion of paid sick days on the basis of eight (8) hours for every two completed months of service between their anniversary date of hire and the following January 1st, not to exceed forty (40) hours.

Paid sick days are not cumulative.

One hundred percent (100%) of unused sick days as of December 31st shall be paid to employees at the first full pay period in January.

SECTION 2

The Company may require medical evidence of such illness or injury.

SECTION 3
All employees shall participate in the Company's Short–Term Disability Plan (STD) which shall be administered as follows:

1. STD benefits are effective after five (5) consecutive work days absent due to illness or injury. In any event, STD benefits are effective upon the first work day of hospitalization.

2. Employees are eligible for STD benefits upon completion of the probationary period.

3. Paid sick days must be used in their entirety prior to the commencement of STD benefits.

4. The benefits described in this Article are in no sense a right to time off with pay and are to be granted only in cases of bona fide illness or injury. Any proven abuse of this provision will be grounds for progressive disciplinary procedures, up to and including discharge.

ARTICLE XVI: MANAGEMENT RIGHTS

SECTION 1
The Company shall have the exclusive rights except where it conflicts with other expressed provisions of the Agreement to manage the business and direct the working forces. These rights include, but are not limited to, the right to plan, direct, and control operations; to determine the operation or services to be performed in or at the facility or by the employees of the Company; to establish and maintain reasonable production and quality standards; to schedule the working hours; to adopt rules of conduct; to test for substance abuse; to hire, discharge for just cause; to introduce new and improved materials, or facilities or to change or delete existing methods, materials or facilities.

Such actions affecting any or all of its employees may be affected by the Company without the obligation of notification to or consultation or negotiation with the Union. The listing of specific rights in this agreement is not intended to be nor shall be restrictive of or a waiver of any of the rights of management not listed and specifically surrendered herein, whether or not such rights have been exercised by the Company in the past.

ARTICLE XVII: MANAGEMENT AND SALES TRAINEES

SECTION 1
The Company may employ sales and/or management trainees and/or trainers from time to time as determined by the Company. Such trainees and/or trainers, as an integral part of their training program, may perform some bargaining unit work. It is

agreed that no provisions, article, or agreement applies to management or sales trainees. Such trainees will not affect the number of hours of work available to the bargaining unit employees.

ARTICLE XVIII: MERCHANDISE PROTECTION

The Union recognizes the peculiar problems of the wholesale drug industry in protecting merchandise from damage, loss, or theft. Therefore, the Union agrees that it shall not take any action opposing or interfering with every reasonable effort the Company may take to cope with such problems.

ARTICLE XIX: MANAGEMENT/UNION LEAVE

SECTION 1
MANAGEMENT LEAVE. A management leave of absence may be granted to an employee accepting a management position with the Company subject to the written approval of the Company for a period of time not to exceed two (2) years. Seniority will not be interrupted during this period.

SETION 2
UNION LEAVE. When an employee leaves employment with the Company to take employment with United Food & Commercial Workers Union Local No. 655 or the United Food & Commercial Workers International Union, the employee shall be considered on a leave of absence (without Company benefits) up to a maximum of two (2) years, and the employee shall, after completion of such employment with the Union, return to the employee's former employment with the Company, and the employee's seniority shall continue uninterrupted.

Employees duly elected to serve as a Vice President with Local Union No. 655, shall upon giving proper notice, be granted an unpaid leave of absence to attend official scheduled meetings or conferences that are approved by the UFCW President. However, at the employee's request, when attending meetings of four (4) or less hours, the employee will have the daily work schedule adjusted without penalty to the employee.

ARTICLE XX: DURATION OF AGREEMENT

SECTION 1
This Agreement entered into the date signed below, becomes effective March 14, 2021, and shall remain in full force and effective until Midnight, March 14, 2024, and thereafter for successive yearly periods, unless at least sixty (60) days prior to March 14, 2024, or any yearly period thereafter, either party hereto shall give written notice to the other of its intention to modify or terminate this Agreement. Should the parties avail themselves of the negotiations as specified above and fail to reach an agreement by March 14, 2024,

and do not have a contract extension in place, ARTICLE XI and ARTICLE XII of this Agreement shall be suspended until such time as an Agreement is reached.

SECTION 2
This Agreement represents the complete understanding between the parties and cancels and supersedes all other Agreements between the parties. This Agreement fulfills the obligation to bargain for both parties for its duration.

SECTION 3
This Agreement is made in full belief by both parties thereto that is in every respect legal. If any section, clause, or sentence of the Agreement is for any reason held to be invalid, such a decision shall not affect the remaining portions of this Agreement.

IN WITNESS WHEREOF, we have hereto set our hands and seals the date first above written:

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 655

Date: 5/17/21

By: _____

Date: 5-17-21

By: _____

Date: _____

By: _____

McKESSON PHARMACEUTICAL CORPORATION ST. LOUIS DISTRIBUTION CENTER

Date: 5-21-21

By: _____

Date: 5-21-21

By: _____

Date: _____

By: _____

HOURLY WAGE SCHEDULE
For Employees out of Progression

GROUP CLASSIFICATION	11/31/20	03/14/22	03/14/23
I. Receiving Clerk Warehouse Worker	$20.55	$21.10	$21.75
II. Drug Cage/Vault Shipping Clerk Quality Control Reclamation	$21.05	$21.60	$22.25
III. Group Leader	$21.55	$22.10	$22.75

NEW HIRE PROGRESSION HOURLY WAGE SCHEDULE
Effective 11/31/2020

Group	Start	6 Mos.	12 Mos.	18 Mos.	24 Mos.	30 Mos.	36 Mos.
1	$14.80	$15.15	$15.50	$15.85	$16.20	$16.55	Top Rate
2	$15.25	$15.60	$15.95	$16.30	$16.65	$17.00	Top Rate
3	$15.80	$16.15	$16.50	$16.85	$17.20	$17.55	Top Rate

$150 one-time ratification bonus to all employees.

NIGHT SHIFT PREMIUM SCHEDULE

Upon hire, employees working a primary night shift shall receive a shift premium of $1.00 per hour.

The Company reserves the right to set the new hire rate, offer incentives to new hires, adjust the progression, and increase shift differentials at any time during the term of this contract to meet market needs after reasonable notice to the union. The rate of new hires shall not exceed that of current top rate employees.

LETTER OF UNDERSTANDING - ATTENDANCE POLICY

For the length of this contract, the Company will not add to, subtract from, change or modify its existing attendance policy (Union Non-Exempt Field Attendance Policy last updated March 31, 2019). Nothing in this letter of understanding is intended to change or modify the company's existing practice regarding the Union Non-Exempt Field Attendance Policy last updated on March 31, 2019.

LETTER OF UNDERSTANDING - BLACK-OUT DATES

For the length of this contract, the Company will not add to, subtract from, change or modify its existing practice regarding "black-out dates". The Company will continue to enforce "black-out dates" on all Saturday dayshifts, Sunday nightshifts, in addition to ten (10) days of the company's choosing. Nothing in this letter of understanding is intended to change or modify the company's existing practice regarding black-out dates.

The Company will notify the Union no later than January 1 as to which dates have been selected.

LETTER OF UNDERSTANDING FOUR (4) DAY TEN (10) HOUR SHIFTS

A. Employees covered by this agreement may be assigned to a four (4) day ten (10) hour work week. Employees assigned to this work week will be given two (2) consecutive days off. When it is operationally feasible, employees will be given three (3) consecutive days off in the work week.

B. The Company will abide by the collective bargaining agreement specifically, but not limited to Article VI, Section 4 and the contractual practice in the assigning of work under the four (4) day ten (10) hour work week.

C. One week of vacation may be split into two (2) single days and a block of three (3) days.

D. Vacation pay for employees working four (4) ten (10) hour schedules will be forty (40) hours for a full week and ten (10) hours for individual days.

E. Sick days shall be paid at ten (10) hours.

F. Holidays, Jury Duty and Funeral Leave shall be paid at ten (10) hours per day.

LETTER OF UNDERSTANDING – PART-TIME EMPLOYEES

Holidays

If employee is normally scheduled to work on the day the holiday is observed by the company, the employee will receive holiday pay for the amount of hours they are scheduled.

Floating Holidays

Employee will receive floating holidays equal to the number of scheduled work days within a week. Each floating holiday will be paid at the hours for which employee is scheduled on the day taken.

Sick Days

Employee will receive sick days equal to the number of scheduled work days within a week. Each sick day will be paid at the hours for which employee is scheduled on the day taken.

Breaks

For shifts of six (6) hours or less, employees will receive one (1) twenty (20) minute paid break.

Letter of Understanding: Joint Labor-Management Committee

A Labor/Management Committee shall be established to meet as requested but no more than on a quarterly basis to discuss situations and concerns that cannot be addressed within the scope of the Labor Agreement and to work towards the mutual goal of maintaining fair and consistent standards that contribute to bargaining unit member's quality of life and effective business operations. Federal Mediation & Conciliation Service (FMCS) shall facilitate in the training and implementation of this process. There shall be no obligation to schedule Labor/Management meetings except as requested.

The parties agree that the responsibility and function of the Labor/Management Committee will be to consider issues in order to promote good Labor/Management relations. The functions of the committee are:

A. To provide feedback and communications on situations in the workplace as they relate to employee quality of life issues.
B. To discuss issues regarding effective business operations.
C. To air concerns going on in the facility with no requirement that the Employer resolve these concerns.
D. To identify opportunities for improved Labor/Management relations.
E. Provide a forum for discussion of the consistent application of company policies and work rules.

The parties further agree this Committee is not for the purpose of collective bargaining or any issues that affect wages, hours (except that overtime issues can be discussed) or benefits, of the Company. The Labor/Management meetings shall not be subject to the grievance and arbitration provisions of this Agreement, nor shall proposals be advanced to alter the existing terms and conditions of this Agreement.

The Committee shall consist of not more than two (2) bargaining unit employees, two (2) Union Official(s), and four (4) Officials from the Company (one person from management shall be from outside the facility unless otherwise mutually agreed to). By mutual agreement, the parties may have additional participants.

When necessary, the Committee will make recommendations to the Union and the Company on the issues it discusses. Communications based on the Committee's work will be approved by mutual agreement.

Both parties shall have the ability to submit in advance of the meetings items they wish to discuss in order to allow the other party to be prepared.

Meetings shall be scheduled for one hour in duration meetings maybe extended or shortened by mutual agreement.

If at any time the Union deems the amount of overtime to be unreasonable, the Union may request to discuss overtime during a Joint Management-Labor Committee (JMLC).