

## **MEMORANDUM OF SETTLEMENT**

BETWEEN:

**SOBEYS CAPITAL INCORPORATED (Safeway Operations)**, a body corporate carrying on business in the Province of British Columbia, hereinafter referred to as the "Company"

**UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL NO. 1518**, chartered by the United Food & Commercial Workers International Union, hereinafter referred to as the "Union".

This memorandum forms the full and complete resolve to all outstanding issues between the parties. The parties have agreed to take this package to their respective principles with a unanimous recommendation for ratification. All changes to the Collective Agreement are effective the date of ratification unless otherwise specified. Any legitimate errors in this Memorandum of Settlement shall be subject to correction by the parties.

**Errors and Omissions Excluded.**

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

**Section 6.02 (4): Management Trainees and Floral Operators**

**Current Top Rated or Over-scale Management Trainees and Floral Operators shall receive the following off scale increases:**

**Effective June 7, 2026 – 2.5% increase**

**Effective June 6, 2027 – 3.5% increase**

**Revise “Management Trainee and Floral Operators Hired or Promoted after the Date of Ratification [October 20, 2023]” scale as follows:**

<b>Accumulated Hours Worked</b>	<b>Current</b>	<b>June 7, 2026</b>	<b>June 6, 2027</b>
0 to 520	\$18.17	<b>\$19.25</b>	<b>\$19.25</b>
521 to 1040	\$19.16	<b>\$20.25</b>	<b>\$20.25</b>
1041 to 1560	\$20.13	<b>\$21.25</b>	<b>\$21.25</b>
1561 to 2080	\$21.10	<b>\$22.00</b>	<b>\$22.00</b>
2081 to 2600	\$22.05	<b>\$22.50</b>	<b>\$22.75</b>
2601 to 3120	\$23.00	\$23.00	\$23.00
Over 3121	\$25.11	\$25.11	\$25.11

**Transition: Non top-rated employees will move to the new rate based on their accumulated hours worked on this scale.**

**Section 10.03: Grid B Off Scale Wage Increase**

**Current Top Rated or Over-scale Grid B Employees (Excluding Pharmacy Assistants and Registered Pharmacy Technicians) making twenty-one dollars (\$21.00) or more at time of payment shall receive the following off scale increases:**

**Effective June 7, 2026 – 2.5% increase**

**Effective June 6, 2027 – 3.5% increase**

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

**Grid B Wage Scale**

<b>Step</b>	<b>Accumulated Hours Worked</b>	<b>Current</b>	<b>June 7, 2026</b>	<b>June 6, 2027</b>
1	0-1040	\$17.85	<b>\$18.25</b>	<b>MW</b>
2	1041-2080	\$17.85	<b>\$18.30</b>	<b>\$18.75</b>
3	2081-3120	\$17.95	<b>\$18.35</b>	<b>\$18.80</b>
4	3121-4160	\$18.05	<b>\$18.50</b>	<b>\$18.85</b>
5	4161-5200	\$18.15	<b>\$18.60</b>	<b>\$19.00</b>
6	5201-6240	\$18.25	<b>\$18.70</b>	<b>\$19.10</b>
7	6241-7280	\$18.35	<b>\$18.80</b>	<b>\$19.20</b>
8	7281-8320	\$18.50	<b>\$19.00</b>	<b>\$19.30</b>
9	8321-9360	\$18.60	<b>\$19.25</b>	<b>\$19.40</b>
10	9361-10,400	\$18.70	<b>\$19.50</b>	<b>\$21.00</b>
11	10,401-11,440	\$18.80	<b>\$19.75</b>	
12	Over 11,441	\$21.00	<b>\$21.00</b>	

**Transition: Employees will slide across the wage scale with their experience hours and receive the corresponding new rate.**

**As of June 6, 2027 any employee in step 10 or 11 shall move to \$21.00 per hour. As of January 2, 2028 step 10 of the Grid B Wage Scale will move to \$21.50 per hour.**

**Section 10.05: Grid A Off Scale Wage Increase**

**Current Top Rated or Over-scale Grid A Employees (Excluding Service Clerks, Pharmacy Assistants and Registered Pharmacy Technicians) at time of payment shall receive the following off scale increases:**

**Effective June 7, 2026 – 2.5% increase**

**Effective Jun 6, 2027 – 3.5% increase**

**Section 10.11:Retail Bakers**

**Current Top Rated or Over-scale Retail Bakers Hired Prior to October 20, 2023 and Top Rated or Over-scale Grid B Skilled Bakers Hired After October 20, 2023 shall receive the following off scale increases:**

**Effective June 7, 2026 – 2.5% increase**

**Effective June 6, 2027 – 3.5% increase**

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

10.11 Retail Bakers

Current Top Rated or Over-scale Retail Bakers hired prior to **October 20, 2023** at time of payment shall receive the following off scale increases:

Effective April 1, 2023 – 5% increase

Effective June 2, 2024 – 3% increase

Effective June 1, 2025 – 2% increase

Effective June 7, 2026 – ~~2%~~ **2.5%** increase

Retroactive pay for the employees referenced above in the amount of five (5%) percent per hour to April 1, 2023 for all regular hours worked and/or paid shall be paid to employees within thirty (30) calendar days of the date of ratification [October 20, 2023].

Accumulated Hours Worked	F/T	P/T
0 - 6 months	\$16.75	\$16.75
6 - 12 months	\$16.75	\$16.75
12 - 15 months	\$16.75	\$17.62
15 - 18 months	\$17.59	\$18.79
18 - 21 months	\$18.69	\$19.95
21 - 24 months	\$19.78	\$21.12
Over 24 months	\$24.95	\$26.44
Department Manager	\$29.13	\$30.37

**BAKERS SCALE (HIRED ~~AFTER RATIFICATION 1989/1993 COLLECTIVE AGREEMENT~~ PRIOR to October 20, 2023)**

Apprentices

First 6 months	65%	All-Around Baker Rate
Second 6 months	70%	All-Around Baker Rate
Third 6 months	75%	All-Around Baker Rate
Fourth 6 months	80%	All-Around Baker Rate
Fifth 6 months	85%	All-Around Baker Rate
Sixth 6 months	90%	All-Around Baker Rate
Over 36 months		Appropriate Journeyman Rate

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518**  
**2026 Wage Review**

- A. Credit for Previous Experience. New hire Journeyman Bakers will start at ninety percent (90%) of the top Baker rate for the first six (6) months. After six (6) months, the new hire Journeyman Baker shall proceed to the top rate.
- B. New, inexperienced employees will start at ten percent (10%) less than the highest rate for the first thirty (30) days and five percent (5%) less for another thirty (30) days, the top rate to apply thereafter except in cases of reclassification.
- C. Jobbers shall receive ten cents (\$.10) per hour over and above the rate as set out under their classification for the actual number of hours worked, in each case up to three (3) days in a week. When employed four (4) or more days in any one (1) week, wages shall revert to the daily scale, being one fifth (1/5) of the weekly wages established in this Agreement. The regularly scheduled hours on any one (1) day shall constitute a day's work for the Jobber.
- Jobbers shall be guaranteed at least four (4) hours' work in any one (1) day or be paid four (4) hours' pay in lieu thereof whenever they are called in to work by the Employer.
- E. All *Grid A* full-time employees shall be guaranteed not less than forty (40) hours' pay per week unless absent due to their own cause.
- F. It is agreed that the wrapping, boxing and slicing of product may be performed either by the Bakery Production staff or the Clerks employed at the Bakery sales counter. The Bakery Counter Clerks shall also be permitted to write names on cakes if Bakery Production staff is not available. The Bakery Counter Clerks shall not perform these duties to the extent that Bakery Production Workers will be replaced.
- G. The Employer shall have the right to employ one (1) indentured Apprentice up to each five (5) Journeymen Bakers (including the working Foreman) employed in the Bakery and one (1) additional indentured Apprentice for each additional five (5) Journeymen or fraction thereof; provided, however, that if the number of Journeymen Bakers (including the working Foreman) employed reaches the total of sixteen (16), the Employer may employ two (2) additional Apprentices, making a total of six (6) in all. The probationary period for indentured Apprentices shall be three (3) months.

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

- H. The Bakery Merchandising Manager will not perform work covered by this Agreement in excess of two (2) hours per day, except in cases of genuine emergency.
- I. It is understood and agreed that the working Manager may perform or assist in the performance of any task or duty in the Bakery Manufacturing Department.
- J. It is understood and agreed that there will be complete flexibility of staff within the Bakery (unless specific restrictions are agreed upon, as in the case of the Student Helper Clean-Up Person) and any Baker may be assigned duties in any area of the Bakery Manufacturing Department.
- K. Bakery Seniority: Bakery Production Workers shall be considered to be a separate seniority unit with the store.
- L. Paid time off accumulated for the period from June 15 to September 15 in any year may be deferred until January 1 of the following year and then given to the employee in consecutive days off all at one time. The foregoing is intended to alleviate the shortage of available help during the period when employees normally take annual vacations.

**Add a new scale for “Grid B Skilled Bakers – hired AFTER October 20, 2023”**

<b>Accumulated Hours Worked</b>	<b>June 7, 2026</b>
<b>0 - 520 hours</b>	<b>\$18.50</b>
<b>521-1040 hours</b>	<b>\$19.25</b>
<b>1041-1560 hours</b>	<b>\$20.50</b>
<b>1561 – 2080 hours</b>	<b>\$21.00</b>
<b>2081 – 2600 hours</b>	<b>\$21.50</b>
<b>2601 – 3120 hours</b>	<b>\$22.00</b>
<b>3121 - 3640 hours</b>	<b>\$22.50</b>
<b>3641 - 4160 hours</b>	<b>\$23.80</b>
<b>Over 4160 hours</b>	<b>\$26.44</b>

**Credit for Previous Experience for Grid B Skilled Bakers Hired after October 20, 2023: Employees who have been out of the industry for less than one (1) year will receive credit for half (½) of their previous experience, to a maximum of two thousand and eighty-one (2,081) hours. Employees who have been out of the industry for one (1) year or more will receive credit for half (½) of their previous experience to a maximum of one thousand and forty one (1,041) hours.**

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

**When the Employer determines the need for a Grid B Skilled Baker and there is an internal applicant, that applicant must have successfully completed the Company's Baker test to be promoted to the Grid B Skilled Bakers scale and will receive two thousand and eighty-one (2,081) hours credit.**

**Newly hired Journeyperson Bakers shall receive a credit of three thousand six hundred and forty-one (3,641) experience hours and be placed on the Grid B Skilled Bakers scale upon verification of appropriate certification and qualifying industry experience submitted at the time of their employment application.**

**10.12: Pharmacy Assistants**

**Current Pharmacy Assistants (Grid A and Grid B) at top rate or over scale at the time of the payment shall receive the following off scale increases:**

**Effective June 7, 2026 – one dollar (\$1.00) per hour increase  
Effective June 6, 2027 – sixty cents (60¢) per hour increase**

**Revise both Pharmacy Assistants scales as follows:**

<b>Steps</b>	<b>Hours</b>	<b>Current</b>	<b>June 7, 2026</b>	<b>June 6, 2027</b>
1	0 to 520	\$19.00	<b>\$ 20.00</b>	<b>\$ 20.00</b>
2	521 to 1040	\$19.25	<b>\$ 20.25</b>	<b>\$ 20.25</b>
3	1041 to 1560	\$19.50	<b>\$ 20.50</b>	<b>\$ 20.50</b>
4	1561 to 2080	\$19.75	<b>\$ 20.75</b>	<b>\$ 20.75</b>
5	2081 to 2600	\$20.00	<b>\$ 21.00</b>	<b>\$ 21.00</b>
6	2601 to 3120	\$20.50	<b>\$ 21.50</b>	<b>\$ 21.50</b>
7	3121 to 3640	\$21.50	<b>\$ 22.50</b>	<b>\$ 22.50</b>
8	3641 to 4160	\$22.00	<b>\$ 23.00</b>	<b>\$ 23.00</b>
9	4161 to 4680	\$22.50	<b>\$ 23.50</b>	<b>\$ 23.50</b>
10	Over 4680	\$23.00	<b>\$ 24.00</b>	<b>\$ 24.60</b>

**Transition: Non top-rated employees will move to the new rate based on their accumulated hours worked on this scale.**

<p><b>MOS Note: All non-top rated full time and part time Pharmacy Assistants will be placed on the above scale with their experience hours. Part Time Pharmacy Assistants hired prior to October 20<sup>th</sup>, 2023 will no longer have their rate of pay reduced if they become Full Time.</b></p>
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**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

**10.13: Registered Pharmacy Technicians**

**Over Scaled Registered Pharmacy Technicians at the time of the payment shall receive the following off scale increases or the new top rate of the scale, whichever is greater:**

**Effective June 7, 2026 – two dollar (\$2.00) per hour increase  
Effective June 6, 2027 – sixty cents (60¢) per hour increase**

**Revise both Registered Pharmacy Technicians scales as follows:**

<b>Steps</b>	<b>Accumulated Work Hours</b>	<b>Current</b>	<b>June 7, 2026</b>	<b>June 6, 2027</b>
1	0 to 520	\$24.50	<b>\$ 28.00</b>	<b>\$28.50</b>
2	521 to 1040	\$25.00	<b>\$ 28.50</b>	<b>\$29.00</b>
3	1041 to 1560	\$25.50	<b>\$ 29.00</b>	<b>\$29.50</b>
4	1561 to 2080	\$26.00	<b>\$ 29.50</b>	<b>\$30.00</b>
5	2081 to 2600	\$26.50	<b>\$ 30.00</b>	<b>\$30.50</b>
6	2601 to 3120	\$27.00	<b>\$ 30.50</b>	<b>\$31.00</b>
7	3121 to 3640	\$27.50	<b>\$ 31.00</b>	<b>\$31.50</b>
8	3641 to 4160	\$28.00	<b>\$ 31.50</b>	<b>\$32.00</b>
9	4161 to 4680	\$28.50	<b>\$ 32.00</b>	<b>\$32.50</b>
10	4681 to 5200	\$29.00	<b>\$ 32.50</b>	<b>\$33.00</b>
11	5201 to 5720	\$29.50	<b>\$ 33.00</b>	<b>\$33.50</b>
12	Over 5721	\$31.50	<b>\$ 33.50</b>	<b>\$34.10</b>

**Transition: Employees move to the new rate of their current step and have to work 1040 hours to move to the next step.**

**MOS Note: All non top rated full time and part time RPTs will be placed on the above scale. Part time RPTs hired prior to October 20<sup>th</sup>, 2023 will no longer have their rate of pay reduced if they become Full Time.**

**10.14: Service Clerks**

**Current Service Clerks who were on the payroll of the Company as of October 20, 2023 at the top rate or over-scale as of the effective date listed below shall receive the following increases:**

**Effective June 7, 2026 – 2.5% increase  
Effective June 6, 2027 – 3.5% increase**

**Sobeys Capital Incorporated (Safeway Operations) and UFCW Local 1518  
2026 Wage Review**

**Retroactivity**

**All top-rated and over-scale employees shall receive retroactive pay as outlined above from June 7, 2026 until date of ratification and shall be paid to all employees within thirty (30) calendar days of the date of ratification.**

**SIGNED THIS 3<sup>rd</sup> DAY OF JUNE, 2026.**

**FOR THE UNION**

\_\_\_\_\_  
Daxter Stucki

\_\_\_\_\_  
Ronda Melbourne

\_\_\_\_\_  
Jason Frank

\_\_\_\_\_  
Jennifer Brown

\_\_\_\_\_  
Angela Crosato

\_\_\_\_\_  
Teresa-Lyne Dziedzic

\_\_\_\_\_  
Armin Reyes

\_\_\_\_\_  
Dennis Sato

\_\_\_\_\_  
Marlene White

**FOR THE COMPANY**

\_\_\_\_\_  
Julie Ams

\_\_\_\_\_  
Sean Naldrett

\_\_\_\_\_  
Jaiveer Singh

\_\_\_\_\_  
Ryan Shannon