

**Negotiations between
Forterra
And
OPEIU, Local 8**

June 13, 2022

This is a conditional package proposal, which must be accepted or rejected in its entirety no later than June 24, 2022 or else it is automatically withdrawn. Forterra reserves the right to withdraw this proposal and or substitute another proposal or other package or non-package proposals for this proposal. By this proposal it is not waiving any rights it may have.

THIS AGREEMENT is made and entered into at Seattle, Washington this ___ day of _____, by and between FORTERRA, hereinafter referred to as the EMPLOYER or FORTERRA and OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION LOCAL NO. 8, AFL-CIO, hereinafter referred to as the UNION, for the purpose of setting wages, hours and terms of conditions of employment.

ARTICLE 1

RECOGNITION OF THE UNION

The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours and all other terms and conditions of employment. The bargaining unit includes all full-time and regular part-time employees employed by the Employer in the State of Washington; excluding all Director-level employees, professional employees, Construction and Development Department employees, managers, confidential employees, and guards, and supervisors as defined by the Act.

ARTICLE 2

UNION SECURITY AND MEMBERSHIP

Section 1 UNION SECURITY AND MEMBERSHIP The Employer agrees that all employees covered under this Agreement shall, as a condition of employment, thirty-one (31) days from the effective date of this Agreement, become and remain members of the Union in good standing with the exception of any employee covered by the Tribal Labor Sovereignty Act of 2021.

Section 2. UNION SECURITY AND MEMBERSHIP The Employer further agrees that all new employees hired subsequent to the effective date of this Agreement shall, as a condition of employment, thirty-one (31) days from the date of employment become and remain members of the Union in good standing, with the exception of any employee covered by the Tribal Sovereignty Act of 2021.

Section 3 UNION SECURITY AND MEMBERSHIP The Union shall notify the Employer in writing that an employee (other than as excepted above) has failed to acquire and maintain

membership in the Union and shall provide the Employer with a copy of the final warning to the affected employee that they have not acquired and maintained membership in the Union. In the event the employee fails or refuses to tender the dues and fees on which they are delinquent within thirty (30) calendar days of receipt by the Employer of such notice, the Employer shall discharge said employee. The aforementioned time periods may be extended by mutual agreement of the Employer and the Union. The Union shall at all times indemnify and hold harmless the Employer, including but not limited to reimbursement for legal fees, relative to any employee claims relating to dues/fees collection or dismissal for failure to pay dues/fees.

Section 4 UNION DUES The Employer will make deductions each pay period from the pay of employees for regular Union dues, representation fees and initiation fees, as identified by the Union; provided the Union provides to the Employer a written authorization from the employee for such deductions. The Employer shall submit dues money to the Union within ten (10) business days following the second pay roll each month.

Section 5 MONTHLY ROSTER Monthly, the Employer shall provide a full roster of all union eligible employees to the Union which will include the last name, first name, middle initial, street address, city, state, zip code, date of birth, home phone number, cell phone number, work email, personal email, date of hire, date of term, date of rehire, job title, program, job site, rate of pay, shift, FTE status (full-time, part-time), hours worked and work status. The Employer will also notify the Union in that monthly report of bargaining unit employees who are changing status, the reason for change of status (discharge, layoff, resignation, leave of absence without pay), and date of change.

The Employer will notify the Union in writing of any new classifications to be covered by this Agreement.

Section 6 UNION STEWARDS The Employer shall recognize the Union Steward as a duly accredited Union Representative. The Steward, upon notifying their designated supervisor, may investigate all complaints. The Union will inform the Employer in writing of the names of all Stewards. Stewards will utilize discretion, sensitivity and reasonable judgment in dealing with confidential information. The Union Steward will be allowed time off to attend investigatory and grievance meetings with the Employer. The Union Steward position shall be filled by an exempt employee who shall otherwise be responsible for the full range of their job duties.

Section 7 UNION BULLETIN BOARDS AND ELECTRONIC COMMUNICATION The Employer agrees to allow the Union to use designated digital bulletin board space, the main purpose of which shall be to distribute union information. Current examples of digital bulletin board space include Forterra email, Microsoft Teams and the Intranet, but access will be preserved as platforms change.

Section 8 NEW EMPLOYEE ORIENTATION A Union Steward or Union Representative will be allowed to meet with new bargaining unit employees during their new employee orientation (NEO) for thirty (30) minutes on paid work time. If no NEO is scheduled within thirty (30) days of hire, the Steward will be allowed thirty (30) minutes to meet with them one-on-one on paid time.

Section 9 OPEIU Local 8 HARDSHIP FUND The OPEIU Local 8 Hardship Fund provides assistance to Local 8 Members experiencing an immediate, severe, and temporary financial situation due to an emergency. The Employer agrees to deduct the specific sum from the salary

of any member of the bargaining unit who voluntarily executes an OPEIU Local 8 Hardship Fund Check-Off Authorization form. The Employer will remit these deductions to OPEIU Local 8 along with a list of bargaining unit employees' names and amounts deducted no later than the 15th day following the last pay day of each month.

Section 10 POLITICAL ACTION CHECK-OFF The Employer agrees to deduct the specific sum from the pay of any member of the bargaining unit who voluntarily executes an OPEIU Local 8 PAC (Political Action Committee) Check-Off Authorization form. The Employer will remit these deductions to OPEIU Local 8 along with a list of bargaining unit employees' names and amounts deducted no later than the 15th day following the last pay day of each month.

ARTICLE 3

MANAGEMENT RIGHTS

The Union recognizes the Employer's right and responsibility to manage its business and to operate in an efficient and economical manner subject to this Agreement and the law and to exercise the rights traditionally reserved to management in the operation of its business. Except as limited by this Agreement and applicable law, the Employer's exclusive rights include, but are not limited to, the right to:

1. require standards of performance and evaluate employees thereon;
2. direct employees in the performance of their work;
3. determine job assignments and working schedules;
4. determine the materials and equipment to be used;
5. implement improved or different operational methods and procedures;
6. determine staffing requirements;
7. determine the kind and location of facilities, if any;
8. determine whether the whole or any part of its operation shall continue to operate;
9. select and hire employees;
10. maintain order;
11. determine when and which employees should be promoted, demoted, or transferred;
12. determine when and how much overtime must be worked, if any;
13. employ temporary employees and utilize volunteers;
14. determine the skills, abilities and competency of its employees;
15. discipline or discharge employees;
16. lay off employees for lack of work;
17. contract out some or all work covered by this agreement, so long as such use of contractors does not directly cause a furlough or reduction in force; and
18. promulgate reasonable rules, regulations and personnel policies, including but not limited to attendance policies and disciplinary policies.

ARTICLE 4

PERSONNEL POLICIES & JOB DESCRIPTIONS

CONFLICT WITH EMPLOYER POLICIES In case of any conflict, this Agreement shall be the controlling policy for the employees covered by this Agreement. The Employer shall notify the Union in writing of any new policy or policy change.

ARTICLE 5

DISCIPLINE AND TERMINATION

The Employer reserves the right to discipline or discharge any covered employee for just cause. The Employer recognizes that progressive discipline is generally appropriate, and which may include verbal warnings, written warnings, final written warnings, suspension, demotion, and discharge. However, the parties recognize that progressive discipline shall not apply where the Employer determines that the nature of the conduct requires more serious discipline, up to and including immediate discharge.

ARTICLE 6

HOLIDAYS

Regular full-time employees will receive time off with pay for ten (10) floating holidays. Regular part-time employees and new employees will receive prorated holiday pay based their regularly scheduled hours. Unused holidays will not carry over to the following year or be paid out upon departure.

ARTICLE 7

PAID TIME OFF

Section 1. UNIVERSAL PTO. With prior notice to the Employer and supervisor approval, employees can take leave for any reason, whether it is allowed under state law or the Seattle or Tacoma ordinances. Employees can take PTO for all time off needs including vacation, personal or family illness, doctor appointments, volunteer activities, and any other reason of the Employee's choice.

Section 2. ACCRUAL, CARRY OVER & PAYOUT OF PTO.

A. Employees accrue PTO based upon the calendar year beginning from the date they start working for Forterra. The fiscal year runs from January through December. Employees accrue PTO at a rate of 6.67 hours of leave for each semi-monthly pay period worked. Employees will accrue up to the maximum hours outlined in the table below. Once the maximum accrual has been reached, PTO will no longer be accrued.

i. Part-time, non-exempt employees accrue PTO on a per hour actually worked basis. Part-time, exempt employees accrue PTO on a pro-rata basis based on the number of hours they are regularly scheduled to work. For example, a part-time, exempt employee who is regularly scheduled to work 24 hours per week accrues PTO at a rate of 60% ($24/40 = .6$).

ii. Full time employees will accrue PTO on the schedule outlined in the below table. Part time employees will similarly accrue PTO but on the pro-rata basis described in the paragraph above.

LENGTH OF SERVICE	Annual Carryover and Maximum PTO Cash-out Cap
Up to 5 years	240 hours
5-8 years	300 hours
9 years or more	360 hours

Section 3. PTO does not accrue during a leave of absence (including during Paid Family Medical Leave (PFML), Family Medical Leave (FMLA), short term disability or leave without pay).

Section 4. Unused PTO time shall be paid out upon an employee’s termination or resignation from employment, or change in status to temporary, at the employee’s regular rate of pay on the next scheduled payroll following the date of departure, except in cases of involuntary termination for gross misconduct. Maximum PTO payout is included in the table above.

Section 5. PTO is paid at the employee’s regularly scheduled pay rate.

Section 6. If the need for the leave is foreseeable, the employee must provide at least ten (10) days advanced notice. Employees must schedule their leave in a way that does not unduly disrupt their department’s business operations.

Section 7. If the leave is unforeseeable, the employee should notify their direct supervisor before the scheduled start of your workday, if possible. Employee’s supervisor must also be contacted on each additional day of unexpected absence.

Section 8. Verification for absences, including verification from a healthcare provider where appropriate, may be required after three (3) consecutive days of absence.

Section 9. Forterra may, at its discretion, provide unpaid periods of leave, if requested.

ARTICLE 8

STATUTORY/ORDINANCE LEAVES

Forterra shall provide all leave required by and in accordance with applicable Federal, Washington, Seattle, and Tacoma laws and ordinances for any eligible employees as defined by the applicable law/ordinance. When possible, such leave may be applied concurrently with contractual and other types of leave.

ARTICLE 9

JURY DUTY PAY

Employees will be given paid leave for jury duty. When an employee is notified of jury duty, the employee's supervisor should be notified immediately and a request made for the time off. Employees will be expected to work their regular schedule on days they are not required to be in court. For partial days of jury duty, employees shall consult with their supervisors about returning to work. Forterra limits paid leave for jury duty to two weeks (10 business days) in any one calendar year; jury service beyond 10 days is unpaid. Jury duty pay will be aligned with regularly scheduled hours.

ARTICLE 10

BEREAVEMENT LEAVE

In the event of a death in the employee's immediate family, regular employees may receive up to three (3) days off, with pay, for bereavement—according to their normally scheduled hours. For the purpose of this benefit, an employee's immediate family is considered to be the employee's spouse, children, step-children, siblings, stepsiblings, nieces/nephews, aunts/uncles, parents, step-parents, parents-in-law, grandparents, spouse's grandparents, grandchildren, or registered domestic partner. Bereavement leave will be prorated for part-time employees.

ARTICLE 11

HEALTH AND WELFARE

Forterra provides all full-time employees health and welfare benefits. These benefits include medical, dental, vision, supplemental life insurance, accidental death and dismemberment, disability insurance, and Employee Assistance Program. These benefits are chosen by and administered by Forterra and the costs shall be split between Employer and employee as may be adjusted from time to time by Forterra.

Employees are eligible for coverage on the first of the month following their date of hire. If an employee's first day of work starts the first business day of a month, the employee is eligible for

health insurance benefits beginning on the first calendar day of that month. Dependents may be added at the employee's expense with premiums paid through payroll deduction.

ARTICLE 12

RETIREMENT PLAN

Forterra offers all employees who have worked at Forterra for at least six (6) months the opportunity to participate in a 401(k) retirement plan. Participating employees currently receive a match from Forterra equal to the employee's contribution up to 4% of the employee's annual salary.

ARTICLE 13

COMPENSATION

BASE HOURLY WAGES. Effective upon ratification, base hourly wages for employees in the bargaining unit shall be in accordance with the schedule set forth in Appendix "A". The initial Appendix A shall reflect a three (3%) wage increase over the pre-existing pay rate for each bargaining unit employee who has not otherwise received a pay increase or promotion in the last half of 2021 or in 2022. This pay increase shall be retroactive to January 1, 2022, but any retroactive payment shall only be paid to employees employed at the time of ratification. Retroactive payments shall be effectuated within thirty (30) days of ratification.

Effective January 1, 2023, a general wage increase of three percent (3%) will be applied to all bargaining unit employee's rate of pay.

ARTICLE 14

HOURS OF WORK AND OVERTIME

Section 1 Hours. Employees, who are exempt from overtime shall work the number of hours in a week necessary to complete their work, but in any event no less than forty (40) hours per week unless approved PTO or other authorized leave is taken or the employee works a pre-approved part-time schedule. All non-exempt employees shall work a schedule established by the employee's supervisor, which may be changed as necessary based upon the business needs of the Employer. It is understood that Employer's business needs may require some employees to work a non-standard schedule which can include weekends. A non-exempt employee's weekly schedule shall not exceed forty (40) hours and may include, at the supervisor's direction, weekend hours. If an employee is unclear on whether they are exempt or non-exempt they should speak with their supervisor to obtain clarification.

Section 2 Overtime for Non-Exempt Employees. There may be times when a non-exempt employee must work overtime. Overtime will be compensated at the rate of one and one-half (1 ½) times the straight-time hourly rate of pay for all time actually worked beyond forty (40) hours in seven (7) day workweek (12:00 a.m. Sunday to 11 :59 p.m. Saturday). Time that is paid but not worked will not count as time worked for the purpose of determining and computing overtime. An employee may not work overtime without the prior approval of a supervisor. Failure

to obtain advance approval for overtime may result in corrective action. Exempt employees shall not be entitled to overtime under any circumstances.

ARTICLE 15

SEPARABILITY

In the event that any provision of this Agreement shall, at any time, be declared invalid by any court of competent jurisdiction or through government regulations or decrees, such decision shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

ARTICLE 16

GRIEVANCE/ARBITRATION PROCEDURE

Section 1 Purpose. The purpose of this procedure is to provide a process for the prompt and fair resolution of grievances. This Grievance Procedure does not preclude and, in fact, encourages the employee to attempt to discuss or resolve a dispute or complaint prior to the filing of a formal grievance. Further, in instances where a grievance is filed, it is the intent of both parties that grievances shall be settled and remedied at the lowest possible step and that all procedures set forth herein shall be complied with as expeditiously as possible.

Section 2 Definition of Grievances. A grievance is a dispute between the Employer and the Union, on its own behalf or on behalf of an employee(s), over an alleged violation, misinterpretation or misapplication of a written term of this Agreement.

Section 3 Time Limits. Time limits within the grievance procedure may be waived or extended by the mutual written agreement of both Parties.

Section 4 Submission of Grievances and Responses. All grievances, responses, and requests for arbitration shall be submitted by electronic mail.

Section 5 Grievances and Grievance Procedure.

Grievances shall include the following:

1. the specific written term(s) of the Agreement allegedly violated, misinterpreted, or misapplied;
2. the date on which the alleged grievance occurred; and
3. the remedy sought.

a) Step 1. The employee and/or Shop Steward and/or Union Representative shall submit the grievance within fourteen (14) calendar days of the act or occurrence giving rise to the grievance to the People, Culture & Technology Department. The Chief People, Culture and Technology Officer, or her/his designee, shall issue a written response within fourteen (14) calendar days of receipt of the grievance. Any grievance not timely

presented shall be waived. Failure of Forterra to timely respond entitles the aggrieved employee to proceed directly to Step 2.

b) Step 2. Should Step 1 fail to resolve the grievance, within fourteen (14) calendar days following receipt of the Step 1 response, the Union may advance the written grievance to the President and CEO, or her/his designee, for her/his consideration. The President and CEO or designee shall respond in writing to the grievance within fourteen (14) calendar days after receipt of the Step 2 grievance.

c) Mediation. If no resolution of the grievance occurs at Step 2, either party within fourteen (14) calendar days following the written answer from the President and CEO may request a mediator from the Federal Mediation and Conciliation Service (FMCS) or other mutually agreed upon mediator. The expenses and fees of the mediator and the cost (if any) of mediation facilities will be shared equally between the parties. Each party is responsible for the costs of its staff representatives, attorneys, and all other costs related to the mediation.

d) Arbitration. If the grievance is not settled in Step 2 or after completing the mediation process, the Union may refer the issue to binding arbitration by written request within thirty (30) calendar days following the refusal to mediate or after the mediation process is concluded, stating the issue to be arbitrated. The parties will attempt to select a neutral disinterested party to serve as arbitrator. The expenses and fees of the arbitrator and the cost (if any) of arbitration facilities will be shared equally between the parties. Each party is responsible for the costs of its staff representatives, attorneys, and all other costs related to the arbitration.

e) Arbitrator Selection. In the event the Employer and the Union are unable to agree upon an arbitrator within fourteen (14) calendar days from the date of either party's request for arbitration, the moving party will request and pay the American Arbitration Association (AAA) or the Federal Mediation and Conciliation Service to name a panel of eleven (11) qualified and approved arbitrators from either the States of Washington, Oregon and/or Idaho. The parties will then choose the arbitrator by alternately striking a name from the list until one name remains, with the moving party striking the first name. Once an arbitrator is selected, the moving party must within ten (10) calendar days contact the arbitrator to arrange for a mutually convenient hearing date.

f) Any decisions within the jurisdiction of the arbitrator will be final and binding upon the parties. The arbitrator will have authority to interpret the terms of the Agreement, but will not have the authority to function outside the terms of this Agreement, or to decide any issues not submitted. The arbitrator will not give any decision which modifies, revises, detracts from or adds to any terms or provisions of this Agreement. The arbitrator shall issue a written decision to the parties within thirty (30) calendar days after the close of the hearing(s) or the submission of post-hearing briefs, whichever is later.

ARTICLE 17

NO STRIKE NO LOCK OUT

Section 1 NO STRIKE. During the life of this Agreement, the Union, its officials, representatives, agents and members, and each employee covered by this Agreement, will not authorize, sanction, cause, call, encourage, assist, threaten or engage in any strike (including sympathy strikes), sit-down, stay-in, walkout, work stoppage, refusal to report for work (such as a concerted mass sickness), slowdown (including working to-rule), refusal to perform any portion of jobs, curtailment of work, protest in sympathy with striking workers, boycott, picketing or any other restriction, or interruption or interference with Forterra operations. The Union will use its best efforts to curtail any activity covered by this Article.

Section 2 NO LOCKOUT. The Employer shall not engage in a lockout of employees during the term of this Agreement.

ARTICLE 18

TERMINATION AND RENEWAL

This Agreement shall be in full force and effect until _____, and shall continue in effect from year to year thereafter unless either party gives notice, in writing, at least sixty (60) days prior to any expiration or modification date of its desire to terminate or modify such Agreement.