

UNITED STATES OF AMERICA  
NATIONAL LABOR RELATIONS BOARD  
CHARGE AGAINST EMPLOYER

FORM EXEMPT UNDER 44 U.S.C 3512

DO NOT WRITE IN THIS SPACE

Case

Date Filed

INSTRUCTIONS:

File an original with NLRB Regional Director for the region in which the alleged unfair labor practice occurred or is occurring.

1. EMPLOYER AGAINST WHOM CHARGE IS BROUGHT

a. Name of Employer

Trader Joe's

b. Tel. No. 212-799-0028

c. Cell No.

f. Fax No.

d. Address (Street, city, state, and ZIP code)

2073 Broadway  
New York, NY 10023

e. Employer Representative

Melanie Chesley

g. e-Mail

h. Number of workers employed  
about 350

i. Type of Establishment (factory, mine, wholesaler, etc.)

Grocery store

j. Identify principal product or service

Groceries

k. The above-named employer has engaged in and is engaging in unfair labor practices within the meaning of section 8(a), subsections (1) and (list subsections) 8(a)(1) of the National Labor Relations Act, and these unfair labor practices are practices affecting commerce within the meaning of the Act, or these unfair labor practices are unfair practices affecting commerce within the meaning of the Act and the Postal Reorganization Act.

2. Basis of the Charge (set forth a clear and concise statement of the facts constituting the alleged unfair labor practices)

Please see the annexed document.

3. Full name of party filing charge (if labor organization, give full name, including local name and number)  
Retail, Wholesale, and Department Store Union, UFCW, AFL-CIO

4a. Address (Street and number, city, state, and ZIP code)

7 Penn Plaza  
New York, NY 10001  
Attn: Phil Andrews

4b. Tel. No. 212-684-5300

4c. Cell No.

4d. Fax No.

4e. e-Mail

PAndrews@rwdsu.org

5. Full name of national or international labor organization of which it is an affiliate or constituent unit (to be filled in when charge is filed by a labor organization)  
United Food and Commercial Workers, AFL-CIO

6. DECLARATION

I declare that I have read the above charge and that the statements are true to the best of my knowledge and belief.

By



Phil Andrews, Retail Organizing Project

(Print/type name and title or office, if any)

Tel. No.

212-684-5300

Office, if any, Cell No.

Fax No.

e-Mail

PAndrews@rwdsu.org

7 Penn Plaza, New York, NY 10001

Address

Nov. 2, 2016

(date)

WILLFUL FALSE STATEMENTS ON THIS CHARGE CAN BE PUNISHED BY FINE AND IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001)

PRIVACY ACT STATEMENT

Solicitation of the information on this form is authorized by the National Labor Relations Act (NLRA), 29 U.S.C. § 151 et seq. The principal use of the information is to assist the National Labor Relations Board (NLRB) in processing unfair labor practice and related proceedings or litigation. The routine uses for the information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). The NLRB will further explain these uses upon request. Disclosure of this information to the NLRB is voluntary; however, failure to supply the information will cause the NLRB to decline to invoke its processes.

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**NATIONAL LABOR RELATIONS BOARD**  
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**Addendum to Question 2. “Basis of the Charge”**

1. This addendum is incorporated by reference into the annexed unfair labor practice charge, which alleges that Trader Joe’s, sometimes referred to herein as “the Employer,” violates Section 8(a)(1) of the National Labor Relations Act (the “Act”) by maintaining certain rules contained in the Trader Joe’s Crew Handbook (“Handbook”) and in employee performance reviews which chill the exercise by employees of their Section 7 rights. In addition, the Employer violates Section 8(a)(1) of the Act by terminating an employee Thomas Nagle by its enforcement of these illegal rules.

Interpersonal Conduct

2. Trader Joe’s has rules requiring employees to smile at one another, have positive attitudes, collaborate, and be “team players”. The rules also require employees to be “friendly, courteous, and respectful to other crew members.” These rules are embodied in employee review documents, attached hereto as Exhibits “A” and “B”, and chill the Section 7 rights of employees.

3. Supervisors were recorded telling a four-year employee, Thomas Nagle, while sitting for a performance review, that these rules apply to him and that he was being denied a wage increase and being disciplined—and ultimately fired—for noncompliance. Attached hereto as Exhibit “C” are transcripts of the

recordings. In the first review in January 2016, the manager told Nagle: "A majority of the feedback that you have there for your review, I wouldn't necessarily say is based on your capabilities as a crew member or your skill sets, I think it's more so geared toward your attitude that you're carrying. And that as a mate team it sticks out like a sore thumb." (Employees are referred to as "mates" or "crew members" by the Employer). The manager continued: "Really the big thing is just really attitude. That's what's sticking out as the sore thumb. And that is probably is what is taking away all the positive things you're doing is your perceived attitude here. So like honestly it's weird you know before I was getting ready to deliver your review I was you know just going to plain out ask you if you were happy here and if this is a place you would want to continue to work. Because more often than not it doesn't seem that way." The manager suggests that Nagle "smile more". As a result of the review, Trader Joe's did not give Nagle a raise and placed him on a performance improvement plan.

4. Later in July 2016, the Employer again reviewed Nagle. (This time, two managers conducted the review). During the review, a manager stated that "[t]he biggest thing that I see and that is reflected in here is just a lack of energy, lack of concern for the store." The manager also didn't like Nagle's "demeanor", assuming he didn't "enjoy working here anymore." Nagle asked for examples of conduct that his supervisor didn't like and was told the following:

5. Manager 2: "I don't remember the last time I've seen you like genuinely smile."

Nagle: "Genuinely smile?"

Manager 2: "Genuinely smile."

Nagle: "Well, that's ironic."

Manager 1: "I see it."

Manager 2: "You never look like you're willing to do something."

Nagle: "So you're judging me based on my - the emotions that I am conveying."

Manager 2: "The attitude in which you complete actions."

6. Nagle's productivity was not at issue; his managers acknowledged he is a hard worker. Even so, one of the managers stated that, when Nagle does smile, it is "not even *genuinely* smiling and engaging." (emphasis added). Nagle remarked: "So who's judging whether their smiles are genuine?" The manager responded: "We are because we have a ton of crew members out there and you can tell they love me and they really enjoy it and get amped." As a result of the review, Trader Joe's continued to place Nagle on a performance improvement plan and warned him that if he didn't improve, he could be further disciplined, including termination. A copy of a portion of Nagle's performance review is attached hereto as Exhibit "A".

7. Later on Nagle had a final performance review. Like the previous reviews, the supervisors focused on Nagle's attitude (two supervisors were in the review meeting). One supervisor told Nagle that he failed to "work as being part of the team by being friendly, courteous, and respectful to fellow crew members. That includes mates and that includes me and having a positive attitude. Like

that's mainly what it is." Clearly, the driving factor was Nagle's perceived attitude, not his productivity or other performance areas.

8. During this review meeting, Nagle offered to do training for new employees and give tours of the store to new employees. His manager immediately rejected the proposal because the manager didn't feel "100% confident that you've really changed your attitude. Like no way." The second manager added, "This is the disconnect. There's no way that we are going to give somebody who has an attitude or engagement issue those kind of responsibilities, right?"

9. The meeting ended with Nagle continuing on a performance improvement plan. His manager stated that he was expected to act with a "genuine positive attitude" when completing tasks and to treat others with courtesy and respect, including fellow coworkers and supervisors. This was Nagle's final warning.

10. Trader Joe's fired Nagle in violation of Section 8(a)(1). Nagle observed: "I feel like I'm being terminated because you guys don't think that I'm happy and smiling and like I can do all the tasks and I've done them well. I have made adjustments. [ . . . ] . . . I just feel like you guys are firing me because you don't think I'm happy and smiling and positive." His manager's response: "Yup, that's it."

11. The purpose of Section 7's guarantees of employees having the legal right to engage in concerted activities for their mutual aid and or protection is to protect employees from an employer's discipline or discrimination because the

employee is not happy, not smiling and not positive about his or her terms and conditions of employment, and is showing it and/or communicating it to co-workers. This is entirely distinct from a limited work rule requiring employees during the course of doing their job to smile at customers while interacting with them, because such a rule does not trample upon employees' Section 7 rights. By contrast, the facts show in the instant matter that Nagel was fired solely for not "genuinely" smiling at coworkers and supervisors.

12. The Employer's rule that employees must "have a positive attitude", "collaborate", and be "a team player" and must smile at coworkers is unlawfully overbroad because it reasonably could be interpreted by employees as restricting their Section 7 rights to communicate to co-workers about their unhappiness with terms and conditions of employment and the need to do something about it.

13. In a case interpreting similar work rules, the Board held they violated Section 8(a)(1) of the Act. In *T-Mobile USA, Inc.*, the rules at issue required employees to communicate "in a manner that is conducive to effective working relationships" and to "maintain a positive work environment." The Board held that employees would reasonably understand these rules as prohibiting disagreements or conflicts, including discussions protected by Section 7 that the employer may subjectively deem not to comply. 363 NLRB No. 171, at \*3 (2016).

14. Moreover, by enforcing these illegal work rules by disciplining and terminating Nagle, Trader Joe's violated Section 8(a)(1). See *Radisson Muehlebach Hotel*, 273 NLRB 1464 (1985) (upholding finding that employer

violated Section 8(a)(1) by terminating employee pursuant to a work rule which violated Section 8(a)(1) of the Act).

### The Handbook

15. The Handbook, attached hereto as Exhibit "D", is provided to employees of Trader Joe's. The Handbook at pages 5, 14, 17, and 18 chills employee rights under Section 7 of the Act with respect to solicitation and distribution of materials at the workplace as well as speaking out about working conditions.

16. The rules in the Handbook are overbroad on their face, such that employees would reasonably construe the language of the offending provisions of the Handbook to sweep within their prohibition activity that is protected by Section 7 of the Act. "It is well settled that an employer may violate Section 8(a)(1) through the mere maintenance of work rules, even in the absence of enforcement or evidence that the rules were implemented in violation of Section 7, as the appropriate inquiry is whether the rule would reasonably tend to chill employees in the exercise of their Section 7 rights." *Quicken Loans, Inc.*, 2016 NLRB LEXIS 268, \*13 (N.L.R.B. Apr. 7, 2016); *Lafayette Park Hotel*, 326 NLRB 824, 825 (1998), *enfd* 203 F.3d 52 (D.C. Cir. 1999).

17. Under Board precedent, the test is whether a rule reasonably *would* be construed as abridging Section 7 activity, not whether it can or could be so construed. *Conagra Foods*, 361 NLRB No. 113, slip op. at 3–4 fn. 11 (2014), *enfd*

in relevant part, 813 F.3d 1079 (8th Cir. 2016); *Lutheran Heritage*, 343 NLRB 646, 647 (2004).

18. Page 5 of the Handbook, at the first bullet point, is on its face clearly overbroad. Employees are prohibited from “communicating threatening or defamatory material about Trader Joe’s, a crew member, a customer, or any other person, through any electronic means (including, but not limited to text messages, e-mails, voicemails, and internet blogs).” This reasonably would be interpreted to inhibit employees’ Section 7 activity because, in the first instance, the terms “threatening” and “defamatory” are undefined and vague. Ambiguous or vague rules that reasonably could be read to have a coercive meaning should be construed against the employer. This principle follows from the Act’s goal of preventing employees from being chilled in the exercise of their Section 7 rights—whether or not that is the intent of the employer—instead of waiting until that chill is manifest. *Flex Frac Logistics, LLC*, 358 NLRB 1131, 1132 (2012), *enf’d*. 746 F.3d 205 (5th Cir. 2014) (enforcing Board’s order prior to *Noel Canning* decision); *see also Shadyside Hospital*, 362 NLRB No. 191, slip op. 1-2 n.5 (2015). “Threatening” or “defamatory” material could be interpreted by the Employer or employees to apply to Union literature. *See NCR Corporation*, 1993 NLRB LEXIS 911, \*17 (Sept. 15, 1993) (“NCR”).

19. In the second instance, it is overly broad because it prohibits distribution by “any electronic means”, which presumably includes Trader Joe’s e-mail and internet system. On page 17 of the Handbook, it states that “Trader Joe’s computer, telephone, e-mail, voice mail, internet, intranet . . . are owned



by [Trader Joe's]. These systems are provided for your use for company business only." According to the Board, "[e]mployees who have 'rightful' access to their employer's email system for work purposes also have the right to use that system for Section 7 communications during nonworking time." *Purple Communications*, 361 NLRB No. 126, slip op. at 1, 14 (2014). Here, the Handbook only explicitly allows communications "for company business only." Employees reading this would reasonably interpret this requirement as prohibiting any communication, at any time, regarding their Section 7 rights. It is therefore unlawful.

20. At the fourteenth bullet point on page 5, the Employer prohibits disclosure of "confidential company information without authorization." This is vague, overly broad and thus unlawful because it could restrict, for example, discussion of employee wages and benefits, which violates Section 7 of the Act. *See Midwest Terminals of Toledo, Inc.*, 2016 NLRB LEXIS 694, \*97 (Sept. 19, 2016).

21. At the fifteenth bullet point, the prohibition against "acting in conflict with the interests of the company" clearly chills an employee's Section 7 rights. An employee would reasonably think that joining a union or discussing their working conditions might be "acting in conflict" with the Employer.

22. With respect to the solicitation and distribution policy, spread across different pages in the Handbook, it is contradictory and could be confusing to the employee. On the one hand, the thirteenth bullet point on page 5 of the Handbook states that "unauthorized solicitation or distribution on

company property” will not be tolerated. This blanket prohibition is clearly overly broad and an unlawful restriction of employees’ Section 7 rights.

23. At page 14 of the Handbook, it states that an employee “may not engage in any solicitation activities in any selling area or in another other customer service area *at any time*” (emphasis added). By banning solicitation “at any time”, the rule unlawfully restricts Section 7 activity because it prohibits solicitation, including union solicitation, in work areas during non-work time. Absent special circumstances which are not present here, employers may ban solicitation in working areas during working time, but may not extend such bans to working areas during non-work time. *Food Servs. of Am.*, 360 NLRB No. 123, slip op. at \*20 (2014).

24. The non-distribution rule in the Handbook states that “No solicitation activities . . . *including distribution of written material* . . . is permitted by a crew member who is or should be performing his/her assigned tasks; or a non-working crew member if it interferes with the work of a crew member who is or should be performing his/her assigned work tasks.” (emphasis added). Trader Joe’s is trying to conflate distribution and solicitation by including both in the same rule, even though they are distinct concepts. Notwithstanding, the statement that there is “[n]o distribution of any written materials is permitted in any work area at any time” is overly broad because it prohibits distribution during non-work time. A policy that prohibits distribution during nonworking time and in nonworking areas is presumptively unlawful. See *NCR* at \*12.

25. On page 18 of the Handbook under “Competitor Relations”, Trader Joe’s forbids “[i]nformation, pictures, ‘publicity’, etc. regarding [their] operations” from being “given to anyone.” This prohibition clearly has a chilling effect on employees. Although this is under the heading of “Competitor Relations”, an employee would reasonably believe it applies to any internal discussions among employees about Trader Joe’s. In addition, the term “information” is totally overbroad, and by including “etc.” they are attempting to make the prohibition completely open ended. “Information” could include data on wages, hours, benefits, and other working conditions. It prohibits distribution “to anyone”, which could include other employees and a union. Labor disputes and union organizing efforts would clearly require the dissemination of information of the company’s operations to other employees and a union. Employees reading this rule would steer clear of sharing any information about the company and about the workplace for fear of running afoul of the rule, which accordingly chills Section 7 rights.

26. In addition, page 18 of the Handbook, under “Inspections,” states that “any authorized agent of Trader Joe’s may inspect [lockers, desks, and other storage facilities], as well as any articles found in them, at any time, with or without notice to you.” This rule has a chilling effect on employees’ Section 7 rights because employees quite reasonably will not share or obtain materials concerning a union or their working conditions for fear of being caught by Trader Joe’s. Read in the context of the work rules on page 5 of the Handbook, it would reasonably be interpreted to prohibit employee use of lockers in furtherance of

their Section 7 rights. The Board has held in a similar context that an employer's bar of soliciting or distributing materials at any time by using employer-provided lockers violates Section 8(a)(1) of the Act. See *Sprint/United Management Company*, 326 NLRB 397 (1998).

### Conclusion

27. In conclusion, certain rules in the Handbook and as embodied in employee performance reviews, on their face, would reasonably be interpreted by employees to infringe on employees' Section 7 rights with respect to locker use, distribution, solicitation, e-mail use, and interpersonal conduct. As a result, the maintenance of these rules by Trader Joe's violates Section 8(a)(1) of the Act. Further, by terminating employee Thomas Nagle pursuant to implementing these illegal rules, this is an additional, independent violation of Section 8(a)(1).

28. As remedy for these violations, the Union seeks, *inter alia*, Nagel's reinstatement with back pay and restoration of all rights, entitlements and benefits as well as the posting of a notice companywide informing all employees that Trader Joe's will not continue to maintain its unlawful no solicitation and distribution rules, or its unlawfully overbroad rule against employees sharing information among themselves, either in person or by electronic means about the company or its rule unlawfully requiring employees to "be happy" about working for Trader Joe's and "genuinely" or otherwise smile at each other and

management and otherwise convey a positive attitude about working for Trader Joe's.

## Exhibit A

Initial Warning: ☐      Second Warning: ☐      Final Warning: ☒      Termination: ☐  
(Your employment is at will, which means Trader Joe's may terminate it without cause or notice. Store management will determine the appropriate action based on the particular facts and circumstances.)

Your performance has been found to be unsatisfactory or unacceptable for the reasons set forth below:

Thomas, you have not met expectations on your last two reviews and due to your poor overall job performance. Specifically, you have failed to adequately perform the following aspects of your job: smiling at customers, enthusiastically helping customers, being friendly, courteous and respectful of fellow crew members, having a positive attitude, and seeking out new assignments and responsibilities.

For example, several mates have noted that when they say "hello" to you, you simply ignore them on a regular basis, or you avert your gaze. I have noticed this as well. Also, during your last performance review, when you were asked to smile and engage customers, you said, "I'm smiling now, but that's ironic" while smirking. These are examples of the disrespect, poor attitude and lack of engagement we see from you on a regular basis.

Moving forward, we expect you to act with a genuinely positive attitude and enthusiasm in your tasks. We expect you to treat others with courtesy and respect, including the mates and captain. Despite repeated feedback, you have failed to improve. This is a final warning. Immediate and sustained improvement is required. Any further incidents may result in further disciplinary action up to and including termination.

## Exhibit B



Name Everett-Crawford, Tricia

Crew # 1099541

Store # 542

### Customer Experience

Meets  
Expectations

☐  
☐  
☐  
☐

Needs  
Improvement

☒  
☒  
☒  
☒

Treats customers as welcome guests. Smiles, acknowledges customers, and assists them.  
Creates energy and excitement for customers. Includes the customer in the fun.  
Consistently keeps the store easy to shop under the direction of the customer experience team lead.  
Professional in demeanor and dress. Conveys respect for the customer and the store with a clean appearance and a smile.

### Teamwork

Meets  
Expectations

☐  
☐  
☒  
☒  
☒

Needs  
Improvement

☒  
☒  
☐  
☐  
☐

Adjusts to store needs. Easily works wherever needed.  
Supports store goals by keeping each section well stocked, clean and signed.  
Works as directed. Builds knowledge over time. Collaborates and is a team player  
Understands safe work practices and uses them to keep the store safe for customers and crew.  
Supports the team by being reliable. Has availability that supports the customer experience and store needs.

### Values

Meets  
Expectations

☐  
☐  
☐  
☐  
☐  
☐

Needs  
Improvement

☒  
☒  
☒  
☒  
☒  
☒

Does the right thing even when no one is looking. Demonstrates good character by treating others with courtesy and respect.  
Knows our products and is passionate about them.  
Knows how it feels to shop their store and is dedicated to delivering a superior customer experience to every customer.  
Is dedicated to our customers and their neighborhood.  
Works to continuously improve performance.  
Understands the importance of making the store outstanding every day.

### Does Not Meet Expectations

At this time you are not fulfilling the basic requirements of your job and you will not receive a wage increase. You must show immediate and sustained improvement in your job performance. If you do not show improvement, you will be subject to progressive discipline up to and including termination.

### Comments

Tricia, you have failed to make the improvements necessary in order to meet expectations. While at the checkout, you fail to engage customers with a smile, as your facial expressions indicate that you are not engaged in what you are doing. You don't seem to be interested in our products or in sharing any knowledge of them with our customers. As part of the product team, you continue to lack the drive to continually seek out the product team leader in order to ask for assignments. In terms of values, we haven't seen you work to kaizen, or continually improve your performance. In fact we have seen the opposite. In order to meet expectations, you need to engage with your job, both on the customer team and on the product team. You need to learn about our products. Finally, you need to be able to work independently so we can trust that you do the right thing when no one is looking, as we are not confident that this is the case. We need to see immediate improvement.

Meets Expectations:

☐ Yes ☒ No

Upon conclusion of your performance review, please electronically acknowledge receipt. From the store kiosk or from your home computer, log in to Dayforce and go to Me, Forms, Review Acknowledgement. Please acknowledge receipt within 5 days of receiving your review. If you do not acknowledge receipt of your review, your Captain will mark your review as "Refused to Acknowledge".

## Exhibit C

## First Review with Thomas

### [1.00]

Manager 1: So, Welcome to your review.

Thomas: Hello

Manager 1: How do you feel like you've feel the last 6 months treated you. How do you feel like

### [2.00]

Thomas: Last 6 months, Well a big calamitous for the obvious reasons. That aside, I think, my last my review prior, I was thinking, one of the notes was you know get involved with other aspects of the story I haven't gotten involved with before which I've been here for 3 and a half years now so I've seen a lot of it. However in the last 6 months one of the areas I tried to get involved with which I have is with truck. So that was really one of the last places in the store for me. Cuz otherwise like section leadership I've done training I've done. What other things I've even like, for that period I was doing keys in grand finale. I feel like any facet of the store I've gotten involved in some degree for some period of time to get experience. So the last 6 months I tried to make the choice, tried to be conscious about getting involved in different aspects of the store which is truck. So it's kind of a happy coincidence in a weird way that it was all register a lot.

Manager 1: ~~~ got to give you the opportunity to do that.

### [3.00]

Thomas: A lot of truck. And So I feel like I've really gotten pretty good at that. Cuz prior these past 6 months I had done truck a handful of times just. So I feel like I've really got a good grasp on there and I have a new appreciation for that part of the job.

Manager1: That's good. That you got to open up avenues in that regard. Well as a crew member of course you know that you're judged in 3 specific areas: customer experience which provides the store in terms of teamwork and values as it correlates with our core values. You can either meet expectations or require improvement in the smaller functions, smaller categories of those big 3. Unfortunately at this time you do need improvement in more areas that we would not allow you to receive a raise.

Thomas: Okay

Manager1: We are going to a further and then of course we'll definitely make it to a point to discuss this feedback and I can get your input on this.

### [4.00]

Manager1: I just got to read this part. At this time you are not fulfilling the basic requirements of your job and will not receive a wage increase. You must show immediate and sustained improvement in your job performance, if you do not show improvement you will be subject to progressive discipline up to and including termination. And this is the comments portion and of course I will give you the peer review and we can have some dialogues in exchange as to what transpired you.

[5:00]

Manager 1: "Thomas you are not meeting expectations this review cycle. In your last review you were asked to put forth more of an effort in completing tasks. We haven't seen improvement on this front. In fact, you've been often ~~~~ doing the minimum amount expected. You have all the skills necessary to complete any task efficiently and with a sense of urgency. But you need to put in the effort and regards to your Customer Service you are friendly and attentive. Utilize these attributes throughout the store by communicating to your members to your team members and the mate team. [5.00] You often have ideas of what needs improvement but you have to communicate these ideas in a positive manner and come prepared with suggestions for improvement rather than complaining. Thomas with your store experience, work to help newer crew members learn and adapt. You have a lot of influence over the mood of the store. Worked to create a more fun and energetic experience for both our customers and your fellow crew. It is imperative that we see immediate and sustained improvement over the next 6 months. Here you go. Now of course there's a lot of feedback there. So what do you think? Let me get your input.

[6:00]

Thomas: I'm surprised, I'm surprised, and I'm surprised because none of these notes have been given to me within the past 6 months for me to respond to them. In fact I had nothing given to me I've often heard of the opposite. That when I say I work in this proportion and on truck. I got positive feedback like all the time on truck. And I learned and got better and that was communicated to me. So that's the opposite of this. In the morning, you know working the morning shift, I'm always looking for other tasks and that's communicated to me like that's acknowledged as well. Like, I can think of all the examples where mates have specifically come up to me and said oh thank you for doing that, thank you for moving on to our next task. Thank you for, I can give zero examples where mates have come up and said hey Thomas next time can you try to do this a little bit differently. Not even like zero critical feedback, critical meaning by what I mean by that, I've been perceived as zero feedback by the mates on the floor coming up to me and saying oh you didn't get that stuff done in time and I thought you should have. And it's been the opposite so I'm surprised.

[7:00]

Manager1: A majority of that feedback that you have there for your review, I wouldn't necessarily say it's based on your capabilities as a crew member or your skillsets, I think it's more so geared towards your attitude that you're carrying. And that as a mate team it sticks out like a sore thumb. Some days you can seem more engaged and more positive. But on a consistent basis the perception that we are getting from you when you are here is that one that you don't want to be here and two is just the perpetuating negative attitude. In regards to you performing tasks and things of that nature. Once again you are very faithful. Very faithful and very able to perform the tasks you are given. The problem is how quickly these tasks are completed. How much effort we are seeing from someone who's been with the company for three plus years. Are we seeing the sense of urgency of a seasoned veteran or are we seeing someone who's been here for three plus year three plus years and sort of knows how to play the game so to speak. Whereas you know..

[8:00]

Thomas: I don't appreciate it when you put it that way. Play the game? This isn't a game.

Manager 1: Well that's the perception that we are getting as the mate team. And it's important for you at this point after finding out this feedback to battle this perception. Because the perception is you know you'll give a minimum effort if we put you on a task as opposed to getting 100% effort and a sense of urgency and things of that nature. Up at the register as well. There have been instances well before any situation you have to put the gloves. Things of that nature. there was definitely a lack luster in level of engagement between you, customers, your energy in terms of flagging.

[9:00]

Thomas: Energy in terms of flagging?

Manager 1: Yes, in terms of how quickly you do so. All those things are leading towards the perception that is leading toward the feedback that you have in there for your review. Cuz it isn't the matter of you can't complete a task or you don't know how to complete a task, you've been very clear in saying that you feel comfortable at all the store processes. There was something in regards to truck you've began to learn and beginning to become more proficient at it. The biggest thing for you is the attitude. And the best way..

Thomas: Can you give me an example?

[10:00]

Manager 1: Well yea I mean I can give you an example on an everyday basis. I'll be honest even when I'm having a conversation with you and I'm required to put you on a task. In the back of my mind I'm wondering alright I need to put him on something that isn't really time sensitive something that if he isn't able to complete that I can still find ways to work around it. Because I'll be honest there is sometimes where there are some task where I will shy away from putting you on because I'm not exactly sure how quickly you would want to complete it or whether you would be motivated to even do the task. Things of that nature. And it's not just me, it's the mate team as a whole. And it's just a matter of whether we are feeling comfortable enough to give you tasks trust you to complete the task in a quick manner. And you know just follow it up with us afterwards. Really the big thing is just really attitude. That's what's sticking out as the sore thumb. And that is probably is what is taking away from all the positive things your doing is your perceived attitude here. So like honestly it's weird you know before I was getting ready to deliver your review I was you know just going to plain out ask you if you were happy here and if this is a place you would want to continue to work. Because more often than not it doesn't seem that way. What do you feel about that?

[11:00]

Thomas: First I would say you didn't provide me with an example of a poor attitude. You said you feel this way about me. And all you said was you repeated that you feel this way about me. I feel you haven't provided me with an example of what I'm actually doing in the store to make this perception.

Manager1: I understand. Well.

[12:00]

Thomas: If I could go on. Also the fact that if you think this and you have thought this in the past, why hasn't it been said to me until this point. Why hasn't it said to me if this has been an ongoing problem, I haven't heard anything and I feel like that's unfair that in some lead to find out in a review process to not give me time to correct it. In the past I'm not sure if you guys are still doing that. Well I've been very receptive to feedback in the past. I've received mid reviews before right the three months in between the six month grace period where I could remember in mid review talking about oh yeah thank you for taking into account all those notes we gave you. We saw you implement them. So to not hear anything from you guys and for you to say everybody has this perception but not say anything to me. And then surprise me with this. And then for the more thing not be able to provide a single example. Maybe there are examples but I haven't heard anything. And it's not like its one that has actually happened. So I feel like it's going on but I'm unaware of it. So, That's bothersome to me. Furthermore about like at register maybe I have been kind of demoralized at register because I am in a very unique touchy circumstance and it's been I think handled really poorly so far.

Manager1: How do you feel like it's been handled poorly?

[13:00]/ [14:00]

Thomas: Well, you know I don't mind. I feel like and again you said that I had not been when I did work register regularly I had not been flagging fast enough. Again all of that I don't think I have a.. I'm looking at the past. ~~~~~~. I can think of examples where even when Melanie's been in front of line. She would often say that's quick. They get good feedback. Hey Thomas you really knocked it out. So I have no problem with being.. the problem isn't the register the problem is that the problem isn't even you know with my particular medical condition going on register. The problem is for me that I haven't.. nothing has been communicated to me as to.. Like I am in a very sensitive circumstance and I've even said this to several managers that I'm in a sensitive circumstance and I need special help in working with you guys. That's what the medical accommodation is that you guys will accommodate and help me do this. Ever since I ~~~~~there was doing other things then suddenly I got put on register. I don't mind being put on register if I am being accommodated properly. There's been no system every mate I've been on register with has me doing different standards. I'm supposed to be on these registers, I'm supposed to ring two bells or three bells, sometimes I have RA's bagging for me sometimes I have mates bagging for me. In this mix up that's been happening a lot like multiple times. This is what is particularly demoralizing is I'm fairly certain it constitutes you know disclosure of medical information where because of a poor system you guys but not you guys

Manager 1: I understand.

Thomas: Some mates I understand it's a unique circumstance and I try and appreciate the position you're put in. Here's a concrete example that because there is no system sometimes mates will pull RA's over. RA's don't know my circumstance. They get pulled over And..

[15:00]/ [16:00]

Manager 1: They are asking you questions.

Thomas: They are asking me questions. That puts me in an uncomfortable spot, like why am I bagging for this guy. He can't bag for himself. That creates ~~~~~~ I don't want to have to explain myself. So I

don't ring two bells like mates have told me ring two bells and get them to bag for you. I don't want to do that because that makes me be the boss of my equal coworker. When maids have pulled crew members on to help me bag they literally said oh he has these allergies which I'm not comfortable with that being disclosed. So you say that I haven't been good at register. In the past I've been great at register and I kind of miss it actually because I feel like it was something you know straight forward that I could do quickly and I could show you guys that I was doing a good job and I felt like I got good feedback. In the past couple weeks it's been a mess. So in the past couple of weeks yea I have been a little bit demoralized up there. Beyond that this perception you know in the past I can cite a review in the past where You know I don't want a laissez faire attitude that I have to be mixed up with not caring you know this is my job, I've been here for three and a half years and I plan to be here for a few more years. This is my first negative review. In the past I had reviews that cite I had a positive attribute. That I don't feel like I've changed much so I don't know what's going on maybe I'll try to change myself now if expectations are slightly different. But. in the past I've had mates come up to me like you know our store can get hammered and get really busy. And literally I've been complicated on oh you're really cool and relaxed on the end of the line. Thank you and oh you're really a calming presence in the store because you're not one of these people getting really flustered. So I feel like all of this and hope you now understand why I'm surprised by this.

[17:00]/ [18:00]

Manager1: Yea you made a lot of valid points but at the same time you have to own the feedback to a certain degree and make the necessary steps to change it, to improve upon it. Like I said the biggest thing about your review wasn't your actual abilities and what you are capable of its how you come across to the mate team to fellow crew members the most important thing is to just change this perception. My advice is to be active about it and not in an argumentative way. But say like you know when you come in the morning you know you start at 6 of course like most days you're in at 6 come in at 6 just about how you approach things. Whether it's just, maybe even if it's smiling more. I'll be honest I could give you an example of some of the reviews I have gotten some of the feedback I've received even the feedback that I receive until this day. About you know my ~~~~~ face. You know sometimes I seem like I'm in a bad mood. I had to really tailor and be conscious of those things because they affected my performance they affected my evaluation. I was given a quote one time It's not up to others to see the person I am, It's my job to ~~~~ show people who I am. I can't leave it up to others because that's when you have misconceptions and perceptions like this occurring. Cuz the tough thing is perception is in reality it's a harsh fact. Even though it's something you can definitely argue. It is what it is especially in this world what we see is what we are taking on it. As of right now I know this is surprising for you and it's a tough thing to take, you're a smart guy highly capable so I can imagine when you were coming in here you probably weren't expecting this. But all the same it's still feedback that you do want to progressively work towards so that one month from now two months from now we are not having this conversation and receiving the same feedback. We are getting positive feedback saying hey I know when you received your review we are at this point. I want to let you know you're at this point now. And you did improve.

[19:00]

Thomas: Okay so the main thing is. I'll be straight forward I'm going to act about like I've always been usually when I get the critical feedback from my mid reviews which I appreciate more. I've been very active in trying to put that feedback into practice. I'll do that with this. So it's a perception.

Manager1: Right.

Thomas: Okay so I'll do that.

Manager1: Cuz if you personally feel like you don't have a bad attitude. If you feel like you're coming into work every day.

Thomas: Alright then I'll do a better job to show it.

Manager 1: Right exactly, if you feel like you're in a positive state and you're doing the right thing then you need to make it a point up to ~~~~ to see that.

Thomas: Sure, why hasn't this been communicated to me until now? The review period is 6 months, why am I finding this out right now. Nobody has said a single word to me about this.

[20:00]

Manager 1: Also, in over the course of 6 months you never felt the need to ask one of us to provide you with feedback to how you're doing. Cuz You mentioned that during your previous review you did receive feedback on certain things you needed to work on. You mentioned opening up yourself to more store processes. Then you said you opened yourself up to truck. Did you ever ask about your feedback on how you performed on truck, did you ever ask how else you can impact the store aside from those things?

Thomas: I mean I never known I had to ask for feedback. I assumed then again if this is the motto please tell me. Because I thought that if crew members were struggling in any way and in a way that would threaten their potential to get a raise. That Managers will come and talk to them and say hey your not on track to get your raise unless you do this stuff. Now why would I come talk to you for feedback if I feel like I'm doing everything fine? Like I feel like it's really backward for me, I said I'm surprised, so it doesn't make sense for you to expect me to ask for feedback when I think I'm doing perfectly fine. See. Like I think I'm doing fine nobody says anything to me until the due date of this review so I didn't have any time to correct this.

[21:00]

Manager1: That's fair.

Thomas: I'll accept the perception thing. I'll work on it because you know this is my job, I take it seriously I care about it. If the perception is otherwise then yea this perception is I definitely don't mean to portray it but obviously the perception is other people's so I'll work on changing their perception. But that's all I can offer from my perspective to legitimate anything I see here. Cuz otherwise I feel that you know for all the reasons I laid out I feel like I laid out my case pretty well. I feel like it's sort of a slip through the crack.

[22:00]



Manager1: I apologize that you feel that way. Yea, I'm not going to BS you Thomas. Like you made a valid point. I don't have a clear answer for you.

Thomas: Okay, Thanks you. You know that's better than saying.. I don't have a clear answer is better than the BS that you said.

Manager1: I appreciate that. This is where we stand right now.

Thomas: Okay.

**[23:00]**

Manager1: I mean at this point I see how seriously you're taking this and I completely expect a full 180. I appreciate your professionalism in this regard. The two last things I leave is just acknowledging that you received your review. You would log in today first and go to forms and then bottom left corner under January 2016 just click there and follow the prompts from there. In regards to attendance we would no longer be requiring doctor notes to approve to like excuse absences. If you have to call out for any reason as long as you have the AR in place you request to put your AR in and your absence is excused. Of course you want to be careful doing that because when you want to go on vacation you want to make sure you have your AR pre signed .

Thomas: What if you don't have AR and your sick and you have a doctors note.

Manager1: It would be unexcused.

Thomas: It would be unexcused.

Manager1: That's pretty much the incentive to make sure when people do call out its absolutely because it had to happen. But if you're only calling out in case of emergencies and things of that nature you won't run into that problem.

**[24:00]**

Thomas: Okay.

Manager1: Especially at the rate we approve AR.

Thomas: Okay when does that go into effect?

Manager1: January. So that's why with the reviews we're are letting everyone know like hey this is what's going on. That's about it.

Thomas: Okay. You want to give me one minute to sign.

Manager1: No

Thomas: Ohh yea it's all online. Okay I'm going to take this with me, I'll acknowledge that. Thank you for the no BS.

Manager1: Thank you for being professional.

Thomas's 2<sup>nd</sup> Review.

[2.00]

[3.00]

Manager: Do you remember the three categories from training.

Thomas: Vague but not like verbatim

Manager: Okay, Customer Experience, teamwork and core values. Under each of those there are four more bullet points. How do you feel you did this?

Thomas: It's hard to say it's hard to say because after being here 4 years now. For my first, all my reviews up until now minus the last one all my reviews up until the last one I did a great job and that was reflected in the review. I felt like I knew what to expect. You're asking me how do I feel I did this time. In my previous review, I was asked the same question I thought I did great as usual. It turned out not apparently. So now I would say oh I feel I did great but according to how it turned out last I don't know.

[4:00]

Manager: Okay, I understand that you know you're not ~~~~~ again. ~~~~~ comments. The biggest thing that I see and that is reflected in here is just a lack of energy, lack of concern for the store. It doesn't feel like you want to be here anymore. When I first came here you know three years ago you were engaging, you tried to make the store better and you did make the store better. You interacted with customers and now it just seems like you're just ~~~~ through ~~~~~~. You used to point out things to make better, things like that. You know you helped out at the register. Help out ~~~~~~. As an example hop on the areas that needed help. Now it just seems a total ~~~

[5:00]

Thomas: So I don't hop on areas that need help.

Manager: See you might be directed to do that but I don't feel like you going out to do that. So I'm watching the comments here. Thomas you're not meeting expectations. We need to see immediate improvement in your performance and your behavior. You do not provide a ~~~~~ customer experience for guests. In fact of notice you go out of the way to avoid customers by avoiding tasks

Thomas: To what customers?

Manager: To avoid customers

Thomas: I go out of the way to avoid customers. Okay

Manager: Avoiding tasks and involvement or interacting with people. And instead gravitating towards warehouse tasks. You have not embraced the spirit to present. You have been given feedback in how to improve your performance and you have not made the necessary efforts. Your demeanor continues to

indicate you do not enjoy working here anymore. You're given feedback about applying your knowledge, experience and skillset in a manner that chose urgency and efficiency. We have not seen you grow in this area. You are not passionate about Trader Joe's products. And you make very little effort in executing Trader Joe's processes. We need to see immediate improvement.

[6:00]

Manager: Yea. I don't know where the violent engagement is coming from. I feel like in the last year or so it's been really the Thomas that I knew when I came and the Thomas I see now is ~~~~ different.

Thomas: Can you give me some examples.

Manager: Okay

Manager2: I don't remember the last time I've seen you like genuinely smile.

Thomas: Genuinely Smile?

Manager2: Genuinely Smile.

Thomas: Well, that's ironic.

~~~~~Mixed talking

Manager: I see it

Manager 2: You never look like you're willing to do something

Thomas: So you're judging me based on my the emotions that I am conveying.

Manger2: The attitude in which you complete actions.

Thomas: So it's an attitude issue.

~~~~~side talking

Manager 2: ~~~~~ anything

Thomas: I interact with you guys and we chat, we laugh, and we smile which we do often that that's what.

[7:00]

Manager 2: You're not here for us man. We are all here for the same thing. And that's the people waiting in line to get the customer ~~~~~ Always going to be~~~~~Of what Trader Joe's is all about.

Thomas: So I'm not.. So your acknowledging that I do smile engage positively, happily

Manager2: With crew members, there's nothing in here about

Thomas: But I don't do that with customers. Do you have examples of this? Like has a customer ever complained?

Manager2: Sure, No, you're also not getting any shout outs. The front of the line this is often.

Thomas: This front of the line the ideal place for technically engaging with customers. I'm very..

Manager2: So rudely man when I'm in the front of the line and when he's in the front of the line we are having a good time having a ball making the line move and making it easier for the customers to get out of there as soon as possible but It's not like we are rushing them through there. Nor is it: 22, 4

Thomas: That's That's's I think that's a poor imitation. I don't, I don't', behave the way that you're.

[8:00]

Manager 2: This right here?

Thomas: Yea I make that stance, I don't go 22 like that's. I direct customers efficiently and also if you've seen me on the front of the line a lot. I know I was doing fine job on the front of the line. I get assigned to the front of the line all the time. If I'm there repeatedly then I think I'm doing a good job. But, apparently I'm not this whole time. And you're not coming up to say hey Thomas at the front of the line your engagement you know try and I see you being really efficient and doing it that way however we would prefer actually to use this as a place to engage customers.

Manager 2: Did you ever think that it was on a customer experience team at the front of the line position.

Thomas: It's on a customer experience team.

Manager 2: Does that not give you any indication you should be interacting with customers.

Thomas: I thought I was doing a fine job doing that.

Manager 2: Maybe our definition of doing a fine job are in different places.

[9:00]

Thomas: Okay, I just think that like nobody has ever said anything about my front of the line.

Manager2: Yes for an example that was ~~~~

Thomas: Yea. Okay. And I could think of times when you have seen me directly when I'm say helping, coming, finding customers on line asking me to go somewhere for a product going downstairs bringing it up to them. Engaging them nicely happily. I could think of times when I did that. I can't think of times I've negatively helped a customer.

Manager2: Okay

Thomas: I honestly think you guys are wrong. So I, you know I think ~~~~~ giving people a different perception of me.

Manager2: Okay, In that case do you any other questions about the review itself.

[10:00]

Thomas: No, have you guys stopped doing mid reviews totally?

Manager 2: We. It was really for the benefit of the crew members that are in danger of not meeting expectations for certain review periods.

Thomas: So like myself.

Manager 2: Yea I mean it's not something that you know we wanted crew members to rely upon. You know if anything that's us trying to reach out and make sure people are able and aware. Does any of this surprise you?

Thomas: Yea it does. And yea that's why. Dan said what are your expectations and I said I don't know. Because every day I'm on the floor you guys are complimenting me you guys are not. Like you guys give me plenty of feedback so I don't feel the need to come to you guys for feedback I'm like every day its good its compliments. You asked me what do you expect? I don't know. Why are you giving me compliments everyday then you have all these things you could be...

Manager2: Like thanking you for emptying the trash can.

**[11:00]**

Thomas: Thanking you for emptying the trash can. For like little things every day you guys give you notice. You know that's what you notice in the morning every day in the mornings you know that's not customer engagement but I'm always looking for extra task to do.

Manager2: And that's what it is. That's about task focus. Its, Productivity is not mentioned anywhere on here man. Nobody is saying you're not a hard worker. Nobody is saying you're not great at truck great at warehouse.

Thomas: It's still abstract it feels like you're not in it.

Manager2: Not even genuinely smiling and engaging

Thomas: Yea

Manager 2: If you don't like to do the stuff.

Thomas: So who's judging whether their smiles are genuine?

Manager 2: We are because we have a ton of crew members out there and you can tell they love me and they really enjoy it and they get amped.

Thomas: Okay.

**[12:00]**

Manager: I ~~~~~ for another month. I'll you know make it a point to check in with you ~~~~~.

Thomas: Yea sure, can I get some critical feedback so I can actually

Manager: In a moment.

Thomas: You know, yea improve upon that. Like if you see me on the line for weeks on in and you think I'm doing a poor job and it's going to affect my raise. Then you can tell me that beforehand so I can correct the behavior. See how that works?

Manager 2: It's just an example man.

Thomas: Really it's a really important example.

Manager 2: It just an example

Thomas: I think it's a really important example. I think it's valid from my perspective too. I think what I said is perfectly valid.

[13:00]

Manager 2: If you would please login in today first and acknowledge you are receiving a review

Thomas: Where do I?

Manager 2: Go to forms. At the bottom left it would say crew member review eval July 2016.

Thomas: ~~~~~

Manager 2: Yea that's fine.

[14:00]

Thomas: Do I have to stamp or just hit submit.

Manager 2: Just submit your acknowledging you received it.

Thomas: That's it?

Manager 2: I mean if that's all you wanted to do then yea. I'd be happy to talk to you more about.

Thomas: I got nothing

Manager 2: Okay. I just want you to enjoy what you do man.

Manager: This is a special place to work a special company requires a special kind of effort. ~~~~~

[15:00]

Thomas: Okay, I mean. ~~~~~ never mind. Okay.

## Thomas Final Warning

Thomas: So ~~~~~ just got fired.

Lady: Really?

Thomas: I was talking to him in front of the manager about it.

~~~~~Shuffling

[1:00]

Thomas: Who am I waiting for?

Manager: Me, I'm coming right back.

[2:00]

Manager: Thomas?

Thomas: Hi.

Manager: So I want to follow up with you regarding your review.

Thomas: Okay.

Manager: So you had 2 different ~~~~~ review sessions. We haven't seen any attempt to improve that on your part on these things. In terms of engaging, several mates have mentioned that they say hi to you and you ignore them and you do that to me.

Thomas: I say hi to you every time you say hi to me?

Manager: No, how come you didn't yesterday.

Thomas: Every time you said hi to me and I say hello to you and I literally never ignored you intentionally. If you said hi to me one time and I didn't say hello then that was a mistake.

[3:00]/[4:00]

Manager: Also several other mates have had that experience. And, it's not just about what you're doing, it's mostly about what you're not doing. So I'm going to read through some of the job description and talk about what we expect you to improve moving forward. I also want to talk to you a little about food register situation. Well wait a sec. So the parts of the crew job description where you need to improve are engaging customers by smiling, I never see that, answering questions enthusiastically, helping customers find items. ~~~~~Offering suggestions for ~~~~~ and entertaining. Like you answer questions with zero enthusiasm. And then more so work as being part of the team by being friendly, courteous and respectful to fellow crew members that includes mates and that includes me and having a positive attitude. Like that's mainly what it is. Also seeking out new assignments and things like that. Discovering ways to improve processes. Things like that you know basically being engaged in the job cuz that's not happening. I don't know what your personal agenda is her but it seems thought it's not to be

a great crew member at Trader Joe's. Maybe everybody has different reasons for sticking around even if they don't like the job. Like they like the crew, their friends work here, or they can pretty much do what they want all day and nobody really bothers them. Whatever it is, I don't know what yours is. That's a problem obviously. So I'm giving a final warning. And I expect immediate improvements. We can do can only do so much on our end. This job is pretty easy.

Thomas: Easy??

[5:00]

Manager: Easy in a lot of ways. We are not really asking a lot. Just asking you to have a positive attitude and to treat people with genuine courtesy and respect. Thomas I don't know if that's even what you want to do. For you it doesn't seem like a lack of ability it seems like a lack of ~~~~. And I can't change for you, only you can. So there's that and secondly the register. ~~~~~ We know you can't use paper bags, you're supposed to wear gloves at the register but that doesn't mean you can't run the register. ~~~~~ So what our thoughts are.

Thomas: I don't say that.

[6:00]

Manager: Okay, the solution is going to be is that you can run on 32. And you because that person can come up to the line and pull the person using a card. You can also use plastic bags. So you are totally empowered to do that on your own. You're not counting on the front of the line person to do it for you, there is no awkwardness there. It should be more than adequate.

Thomas: That sounds fine.

Manager: Okay, so if something happens where they are like I want paper and I didn't hear you, ring a bell and we'll come over or if the person right there next to you on 31 could potentially just bag it for you. We'll work for it but there is definitely a solution on register. Any questions on that?

Thomas: No

[7:00]

Manager: So I'm going to read through this incident report. Thomas, you got expectations on your last two reviews. Do to your poor overall job performance. Specifically, you failed to adequately perform the following aspects of your job. Smiling at customers, enthusiastically helping customers, ~~~~~ respect fellow crew members. Having a positive attitude when seeking out tasks and responsibilities. For example some mates have noticed when they say hello to you, you just ignore them on a regular basis. ~~~~~ As well. Also on your last performance review when you were asked to smile and engage customers, you said I am smiling now but that's ironic.

Thomas: That's, that's a misinterpretation. That's not what happened. I was smiling because I was so taking it back well that's kind of ironic. I wasn't smiling to be ironic. To be combatant. Like when they told me that I don't smile and I really started smiling because I don't want to be contentious about this I'm going to try and take good notes.



Manager: You can write on this, if you want to explain it, you disagree with the interpretation. There's two sides to every story and I understand that. You're welcome to write on it.

[8:00]

Thomas: So with that specifically I started smiling because, I smiled when I said how much I disagreed because how much for one thing to disagree with is I never do not, Have I ever not acknowledged you when you say hello to me?

Manager 2: Me? No. Me you have acknowledged but I'm not everybody else ~~~~~ so.

Thomas: I literally can't think of.

Manager: Some crew mates told me that yesterday, I can definitely have them come and talk to you?

Thomas: Yea please, because I never mean to not acknowledge anybody but it sounds bizarre

Manager 2: But let's stop there, Thomas. Even acknowledging me is usually ~~~~~, it's acknowledgement it's not like hey what's going on its like hey.

Thomas: Okay

Manager 2: You know what I mean.

Thomas: So more?

Manager 2: Yea but it's got to be genuine. You have to want to be here.

Thomas: Whose ~~~~~ genuine? This is what was said at my review. This is bizarre to me. They said because when they said I don't smile, I said I do smile.

Manager: I never said you don't smile.

[9:00]

Thomas: And then to that, Okay, no you do smile we just feel it's not genuine. That's bizarre to me your just measuring how genuine I am when I smile. That's beside the point and then again I don't want to get into a debate over this. I'm just speaking to that one thing specifically about them saying I was being ironic, the review.

Manager: I never said your word your choice of words. That it's ironic. You were smiling and that's ironic.

Thomas: I'm smiling and to myself oh it's ironic. Your smiling but it's ironic, you see the difference?

Manager: I said that's ironic, I didn't say it ~~~~~

Thomas: Do you feel like there's two you get two distinct different messages from these two ways of interpreting that. Do you understand? If I were to smile and say that's ironic. Like trying to make fun of you like I'm smiling at you and saying that's ironic. Oh it's ironic but I can't help myself but to smile do you see the difference between these two? Maybe?

[10:00]

Manager: Maybe.

Manager 2: Both of them still seem contentious.

Manager: Yea definitely, absolutely I could see what you're saying.

Thomas: I didn't mean to be contentious.

[11:00]

Manager: I'm not an unintelligent person and I understand what you're saying but I think you're missing the point. Overall is that you're obviously not enjoying what you're doing and it's obviously in your body language, obvious in your tone. Obvious in every single day in and day out interaction with the mates, me, ~~~~~~. Very short and very contentious is the feeling that we get. ~~~~~~interactions. That's not okay you know it's not who we are as a company. Maybe your skillset Thomas, you're a very smart person. Maybe your skillset isn't necessarily a match perfectly for what we expect at Trader Joe's in certain ways. Maybe you're better than a lot of people at certain things, that's absolutely possible. There are somethings that you are severely lacking and that is not okay. The sad thing is that those are choices the things that you're lacking are choices that you're making as opposed to ability. I think that is more almost unacceptable to a means of trying than to have lack of ability. So if you think that you're too good for this job?

Thomas: Let's just not those are your words not mine.

Manager: I said if.

Thomas: Okay

[12:00]

Manager: I don't know if you do or not. I could never speak to what you think about what you do. But that is the overall impression that we get. And that's just my understanding ~~~~~~. Do you think that?

Thomas: Do I think that I'm better than this job. I think if I said yes I would be insulting all the coworkers I respect here so I would never say that I would never think that.

Manager: What do you like about your job?

[13:00]

Thomas: What do I like about my job? Well very much well so very recently until a few moments ago just because Let me rephrase. I've made best friends at this place, And I don't know the disconnect between me feeling as if I am you know none of this is intentional so that's the way you sort of worded it out, and it feels odd to me that every day I come in and I'm surrounded by people I like, and I feel like I am doing a good job and nobody has anything bad to say to me until we come back to this room. And I feel like that you know that being surrounded by people that I like I assume that it comes off as.. that's the best part of the job to be honest being surrounded by the people who work here. So I would assume that your saying that doesn't show and not only that it doesn't show that the opposite is the case. That's bizarre to me.

Manager: Okay so what about, forget your coworkers I think that a lot of people who work here would say the same a lot of people ~~~~ to connect, become best friends, what about the actual job?

[14:00]

Thomas: Beside that I like sort of running this is very broad but I like sort of running the store, being out on the floor and being able to take care of any little issue like and that doesn't only mean the logistics of you know in the morning. But even right now ~~~~~ I like feeling like I can take care of any problem anybody might have. And I do whenever someone I rarely ever need to ask a question from the mate team on how to take care of a task. So I like being on the floor and feeling like I can take care of everything that's either product related or customer related. Which I feel like I always did.

Manager: So feeling self-sufficient the autonomy of enjoying what you do every day.

Thomas: Yea not even autonomy just feeling like to steer the ship. You know.

Manager: Do you feel like you're underutilized.

[15:00]

Thomas: Yea, Yea I mean I've been here for over four years. For I think at least five months I wrote groceries, for another five months I wrote beer. Then I feel like when I did do register I did a great job at it. I know cuz you said that too.

Manager: I agree with that.

Thomas: And I feel like that it doesn't seem it seems like there is an important correlation here between you know the four years that's eight reviews my first six you know during the time when I was on I could do register. I got all those reviews that were positive. And it just strikes me that suddenly over the course of this past year when I have the medical condition that suddenly things changed. Like I don't think that's a coincidence to say that I can't do a central task on the store. And then I feel like I am suddenly underutilized. Sort of..

[16:00]

Manager: You can do register.

Thomas: I Can.

Manager: That's the thing I don't understand why you're saying you can't. That's what we are talking about.

Thomas: No, you're right I can actually. You know I had many conversations with many different mates. When I first filed the paperwork and I just didn't get put on register. That's their solution whatever you know technically I can do register and it says that in the paperwork and I'm fine with that and I said from the beginning that I am fine with that.

Manager: You know we had a conversation. That you were not fine with it. You said it was very awkward for you to be on register because it was uncomfortable for you to have to explain to the crew that you

couldn't use a paper bag. It was uncomfortable for the person in the front of the line. So you didn't really think this was a good idea.

Thomas: Yes.

Manager: That is what you said.

[17:00]/[18:00]

Thomas: However that has to do with the mate who is running it. Every day was something new if there was you know so some days the mate would say I'm going to have the front of the line person switch now I think we actually found a solution so I think that's fine with the roll and register only plastic bags. But every other day it was some new sort of a hassle where like and I felt like it was hassle to me I can see them when I went up to them and okay how do you want to accommodate me but there wasn't a set plan in place nobody had that conversation to me with me when I started getting put back on register suddenly nobody had the conversation with about what the standards would be. Some people said okay I just want you like right outside where ~~~~~ you know a mate will always assist me. Great. It's the mates who ought to know my condition in and out. And who ought to you know read a situation as to when I'll need help and I don't have to explain to the mates because they have access to this information every time they come up to help me. Whereas with a crew member every other time I had to come up.. They came oh why am I helping you? Oh well let me elaborate and that just leads to more elaboration. So they had crew members helping me. Sometimes it was the RA. Sometimes it was the person on the register next to me sometimes they were having the FOL person you know change who they were you know making sure the customer wanted plastic bags. And that's what I mean by, I think it was cumbersome. Where every day I would have to have like a 5 minute conversations usually longer because it's busy at the top of the hour. At the top of the hour of having this conversation with a mate and they are busy they are exacerbated and they are trying to fit me in. So I feel like there was no standard guideline for me.

Manager: How much did you do that helped the store to ~~~~~.

[19:00]

Thomas: I tried out every one of their, everytime, you know with a lot of the new mates I've spoken to I didn't elaborate much to you but Steveland, Troy, I had like 10 minute conversations with the each of them saying hey so this is my condition. And I went through the history of it. And then I said many mates accommodate me in different ways with whatever you want to do I'm for and most mates end up sending just sending me to customer experience out on the floor or product team. But like I let them know that and you can ask like Troy, Steve and the new mates who again is kind of ~~~~~ to go and try and figure out the logistics of this.

[20:00]

Manager: We got a good solution now. So it's going to be super easy. You know it's going to be just you. You get to go to the customer. Nobody else has to be involved. It should be pretty simple. But you can be on register and we have that I'm trying to get the EDA I don't see how your saying it's a direct correlation and that's why your receiving these reviews which is not because you can be on register and

have been. Do you think that maybe you not being on register has potentially led to you not feeling as engaged in the store? Are you maybe causing you know...

Thomas: I feel engaged. I don't want to say that me not being on register feels like I'm not engaged because I'm deeply engaged.

Manager: Okay. So you don't think that is possible at all?

Thomas: I feel you said that do I feel utilized or underutilize I feel underutilized. Do I feel like I'm not engaged? No, I feel like I am engaged everyday every other month like you can talk to me on the floor at any moment and I am coming off a task or to a task or in the middle of a task. Always doing something to help the store. I feel like if you ever stopped me on the floor and you asked me that I feel like you will always ~~~~~>

[21:00]

Manager: Do you respect the mates in the store?

Thomas: Completely, I hope that the tone that we are having this conversation in is proof of that. During the past reviews that I got, yea I'd say the most recent one was upsetting but you know if you were to talk to Gillani who gave me the review prior to that and he shook my hand and said thank you for being so professional about it. And I think that professionalism shows a sign of respect.

Manager2: So you don't, you don't see any of this in yourself, what we have been talking about. You don't see not engaged not wanting to be here.

[22:00]

Thomas: No, no, simply shortest answer no.

Manager: You need to figure it out because that's problematic. That's what we are seeing and you're not seeing it at all and how is that going to change. That is the question. You know.

Thomas: Mhmm.

Manager 2: Cuz it's got to change. No matter what that's got to change. You got to figure out and take a long hard look at your actions and how you act in the day and your interactions with the mates and the customers and you need to figure out where the disconnect is.

Thomas: Okay.

Manager 2: Because the way that your acting now is not acceptable right and we got to figure out, you got to figure out what you're doing is not acceptable and see what we see. Right. You got to first recognize the problem in order to fix it so we recognized it and we see it but if you don't see it then you're in a real ~~~~ right.

[23:00]

Thomas: That is a probability yea. We can start by you know I used to be involved in other projects around this store. I think I did every aspects, I was here through the entire, you know, first conception of

the training program I used to run the training. I used to give tours of the store to new crew.

Manager: We are not going to have you do training yet. Until I feel a 100% confident that you've really changed your attitude. Like no way.

Manager 2: This is the disconnect, there's no way that we are going to give somebody who has an attitude or engagement issue those kind of responsibilities. Right?

Thomas: Mhmm

Manager 2: That's not fair to train somebody like that because they are going to start out that way. So that's the disconnect. You got to figure out those behaviors that we are talking about and change them.

Thomas: Mhmm so let's start with register then, maybe that will be helpful.

[24:00]

Manager: Yea I do think that well the heartbeat of our story here. People are ~~~~ whether or not you can recognize that I do suggest ~~~~~ register. People don't like it ~~~~~ People don't like it I that people don't always recognize that we are up here together like why do you battle us not in a negative way but trying to accomplish a goal together you know not as to get these customers out move that line. Like it's a very fluid kind of activity that we are all you know up here at some point of the day doing and really it's very team building or whether or not people realize that. I don't think they always do but the line does the bells broken but I'm going to get it fixed we bring a bell. Or a ~~~~~ happens and a mate gets up someone picks up the pace and your like okay guys we got something to do here let's get this line down its an impalpable team oriented spotless store. So I think that would be really helpful.

[25:00]

Thomas: Okay

Manager: You are actually really good at this.

Thomas: I was, I actually kind of miss it.

Manager: You're the best. I think that's a great start. But not only that, you're smart and I know that you have a lot to offer. You know I don't want to feel like I say hi to Thomas and feel like he absolutely hates me. Like I don't want to feel that way.

Thomas: Do you feel that way?

Manager: I do.

Thomas: Okay

Manager: I totally do. Thomas doesn't want to talk to me at all he's like ~~~~~, And its hurtful you know and I don't know if you recognize that.

Thomas: So I'll say that.. the only thing I could say to that is not my intention and I'll try to be cognitive when I say hi to people.

[26:00]

Manager: Like I want to know what's going on with you. I want to know what the feeling under you lies. I want to utilize you. You're smart. You're really smart. What more can we do. But you got to take some ~~~ yourself. Like I don't know what everybody~~~~~. You need to be more open minded with the mates, me, we are good people. [UNCLEAR FOR A MINUTE]~~~~~ We are not just a figure. I'm a person you know.

Thomas: I'm not responding I think your people. I'm not going to say, yea that's why I'm not saying it.

[27:00]

Manager: When I say Hi to you. You can say Hi back like engage like it's not rhetorical, what's up let's have a conversation we work together. Okay?

Thomas: Engage with the mate's yea.

Manager: Okay let me finish reading this and we can be done. [UNCLEAR FOR A MINUTE] Moving forward we expect you to act in with a genuine positive attitude when completing tasks, expect you to treat others with courtesy and respect including mates and captain. ~~~~~ to improve. This is a final warning. Immediate insisting improvements required. Any further incidents can lead to disciplinary action up to and including termination. Okay. Let start with the register. And I hope to see some change something positive comes of this.

[28:00]

Thomas: Also I could be more aware immediately when everything is over? Like you suggested. You know I'm going to do this immediately so I don't want to think when I'm asking this question so what sort of time period you know I don't want you to think that I'm thinking like you know immediately like I have to push this off. I'm going to do this right away but can you elaborate more on expectations like time period like when there is a final warning like when does termination come? Like I can start thinking about this stuff tomorrow. But like you know when are you going to be looking at me.

[29:00]

Manager: We don't have a time frame like oh like two days or nothing like that. I don't have an answer for that. You just need immediate improvement, obviously we are sensible people. I don't expect you to be a different person tomorrow, Thomas. I understand that you are not a loud boisterous person. I just expect you to be courteous and respectful, smile, friendly and act as you enjoy what your doing. But yea immediate like, Are you off right now at 2 o'clock.

Thomas: Yes.

Manager: When's your next shift.

Thomas: Today is Sunday? Tuesday.

Manager: Okay, Tuesday, would you like a follow up with a person like a regular follow up to touch base.

[30:00]

Thomas: I would love regular follow ups. I think one of the things that was particularly upsetting to me is in these two past review periods is that, is that every day I come in you know I get pat on the back I get compliments. I haven't ever received a word of criticism outside of this space right here. And I feel like that if I'm getting good feedback everyday I'm not going to go seek out to say am I doing anything wrong when you guys aren't telling me I'm doing anything wrong. Now I know after two reviews and how can you not after this that there are other expectations but otherwise you know I never received a mid-review I never received, I never had somebody pull me aside and say hey I saw how you were doing this particular task and you weren't and I didn't think you were engaging as best you could so yea.

Manager: Okay so we could commit to doing that person and commit to doing that.

[31:00]

Thomas: Are we not doing mid reviews anymore? Because its its. Are we not?

Manager: We do sometimes. Some people have mid reviews yea.

Thomas: Because I had, in the past you know these past two reviews that were negative that I've gotten. I have gotten mid reviews prior. And if you'll look, I'm sure you can that I've gotten mid reviews in the past and still got my raise the three months later after the mid review because they were like we gave you these notes and you know he.

Manager: Thomas, how long have you worked here? You said four years?

Thomas: Yes.

Manager: And do you think that there is some responsibility in your part to know the expectations at Trader Joe's. You're a veteran.

Thomas: I know I feel like I know what the expectations are sometimes until I come in this room.

Manager: Well I hope that they are clear now. And at the end of the day like you are responsible for this you know. ~~~~~ Above and beyond.

[32:00]

Manager 2: But at the same time I'm not going to hover over you alright.

Thomas: No No I wouldn't expect you to. Yea.

Manager: I'd like to see you take more personal responsibility~~~~. It seems like you have this sort of perception in that everything is like why didn't the mates come up with a solution for me at the register. The mates are all different pages. Take some ownership in that, like what can you do that's Trader Joes. You know. If that's not sort of the you want things to be very structured and very just you're here for this amount of time and this is what happens like that's not who we really are and you need to take some ownership on your own development and your own feedback. You need to be approachable first of all. I mean if you want mates to give you feedback and you won't even say hello to them. Mhmm that's tough you know it is.

[33:00]



Thomas: Okay you can continually say that I don't say hello to mates but

Manager: OH I'll just get the two of them and that said that yesterday.

Thomas: Okay sure and I'll say I'm sorry I didn't realize they said hello.

Manager: Alright good I think that's a good first step. But I'm going to set with you, every how often would you like us to ~~~~~

Thomas: Put maybe every other week or something

Manager 2: Let's start out once a week.

Thomas: Once a week okay. I didn't want to like..

Manager 2: We'll start out once a week. Then go from there.

Thomas: Okay

Manager 2: Okay, just to make sure that we are on the same page okay.

Thomas: Are you on mornings for the next two weeks. For the next week

Manager 2: I am for the next couple weeks. Yea.

Manager: Are you in from 6-2 everyday

Thomas: From 6-2 Yea.

Manager: No change

[34:00]

Thomas: I mean my availability goes beyond that. I'm available from 6am to 6 or 7pm

Manager 2: There will also be a morning mate that we will be communicating with so if we would have to do a handoff we ~~~~~ to make sure you are all on the same page. Okay.

Thomas: Okay

Manager: Yea I think it will be consistent. Have you come in at two and maybe do a 7-3 one day or something. Once a week for a while

Thomas: Yup.

Manager: Then you won't be seeing us you won't be observing Thomas. I would like it to be consistent cuz for the next weeks you'll be here. ~~~~~ We'll figure that out Thomas, I'll let you know and we like to be consistent. I mean that would be nice even if you get information you can ask for feedback from the other mates or if you need anything, I don't think that's a bad idea either. ~~~~~

[35:00]

Thomas: That's a good start.

Manager: Check out ~~~~~interaction there, you kind of go and do your own thing. ~~~~ you know is it inaccurate?

Thomas: Not a lot of interaction when I go. Yea

Manager: ~~~~~ anything else?

Thomas: Not from me.

Manager: Okay, if you want to put notes on this you're welcome to. You know for whatever.

Thomas: That's just my copy to keep?

Manager: Yea and this is my copy.

Thomas: Did the, did the two reviews count as the initial warning and the second warning?

[36:00]

Manager: Yes, and that's the job description of the, just look at it and read it and say is this something I want to do. Do I want to keep doing this. Do I enjoy this? This is my copy and I don't know if you had an incident report before but you sign it saying we went over it with you. Or you can write you refuse to sign.

Thomas: Write what?

Manager: If you don't want to sign it you have to write that your refuse to sign it.

Thomas: Well was it because, Sorry to draw this out

Manager: It's okay

Thomas: But, you know we just said how earliest you know I did that I feel like you know I do smile at customers, I am enthusiastic in helping customers, I am friendly, I do smile, I do say hello So I don't want to say that I don't want to sign that document that says I don't do those things. I'll sign a document saying you know go on register and try and be on my desk. But like I don't want to put my signature on what I don't agree it.

[37:00]

Manager: Okay

Thomas: Should I write I don't, Should I write that I refuse to sign?

Manager: Yea if that's what you want to do.

Thomas: I mean Is that the other side of signing? Is that like an official thing we do should I refuse to sign?

Manager: Yea it happens

Thomas: Okay, so.... Refuse to acknowledge, what's the wording I should use

Manager 2: S I G H N

Thomas: What's that?

Manager 2: S I G H N

Manager: S I G H N? No

Thomas: Oh refuse to sign.

Manager2: Refuse to sign.

Manager: S I G N

Manager 2: Oh that's right.

Thomas: Oh S I G yea I didn't catch that up

Manager: You can write refuse to sign that's what people generally write.

Thomas: Okay

Manager: But it's up to you, it's yours

Thomas: That's all that I write? So I don't actually put my signature

Manager: If you want you are also committed to write on the back or whatever you want to write.

[38:00]

Thomas: No I feel like I spoke about it, I don't have anything else to elaborate on

Manager: okay, alright we'll go from there

Thomas: okay

Manager: ~~~~~ week. And you'll be on the register 32,

Thomas: What are your days off?

Manager 2: Wednesday

Thomas: Okay so I'm off Thursday so the only day off you're not here when I am is Wednesday. Okay so it's past due go clock out.

Manager: Yea

Thomas: Okay, Thank you

Manager: Thanks Thomas

Thomas: Thank you.

0:00 – 3:20

Melanie: Thomas we haven't seen enough improvement in your job performance and your attitude over the last month since we gave you a final warning. We're going to terminate your employment right now. I'm gonna read through this and then give you the paperwork. I'm gonna read through this and then give you the paperwork, okay?

Thomas, despite our coaching.... Not meeting expectations your engagement with customers and crew has disappeared and your behavior .... You do not chose to improve your performance. We've lost confidence in your ability to provide a WOW experience for our customers. A number of the Trader Joe's team... Therefore your employment from Trader Joe's is being terminated. Here's your copy. I'll give you that. Are you going to sign this?

Thomas: Is that acknowledge of the validity of that statement?

Melanie: No it's just to acknowledge that you received it.

Thomas: No, I'm not going to sign it.

Melanie: Do you have insurance with Trader Joes?

Thomas: Yes

Melanie: Okay so that will be valid up through December so you still have time with that. If you have any absence, reserve, AR that will be paid out to you on your last check which will be next week. Do you have any questions about your 401K or any questions about that?

Thomas: No I don't have any questions about that.

Melanie: Okay, do you have any other questions?

Thomas: Okay, I feel like I'm being terminated because you guys don't think that I'm happy and smiling and like I can do all the tasks and I've done them well. I have made adjustments, I've been speaking with Carston about those adjustments so I feel like I can perform the tasks or I did. I understand there's a moot point I'm making but I just feel like you guys are firing me because you don't think I'm happy and smiling and positive.

Melanie: Yup, that's it.

Thomas: So not for concrete things like... I'm late or I call out or because I do like other tasks horribly but because you don't think I'm happy. Is that basically it?

Melanie: We don't think your behavior is indicative of our core values and our core values include treating crew members with respect and providing a WOW customer experience.

Thomas: Yeah,

Melanie: Call it what you wanna call it. If you wanna word it in a way that makes it more obscure for yourself you can do that but those are the reasons that we're terminating you.

Thomas: I'm not trying to make it more obscure I'm trying to understand why exactly I'm being terminated.

Melanie: Because you have a bad attitude.

Thomas: Okay... Umm...

## Exhibit D



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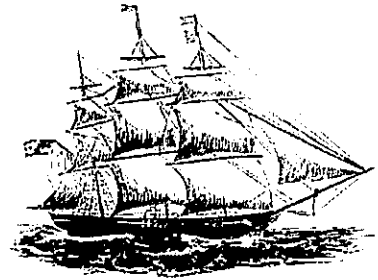
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- A Message to All Trader Joe's Crew Members*
- The Background of Trader Joe's*
- Customer Experience: A Trader Joe's Love Story*



# Introduction

## *Congratulations and welcome aboard!*

We're glad you've chosen a career with Trader Joe's. We want you to think of working here as an adventure—and as an opportunity to grow with a one-of-a-kind company.



The mission of Trader Joe's is to give our customers the best food and beverage values that they can find anywhere and to provide them with the information required for informed buying decisions. We provide these with a dedication to the highest quality of customer satisfaction delivered with a sense of warmth, friendliness, fun, individual pride and company spirit.

This handbook is about more than rules and regulations; it's about how to succeed as a member of the Trader Joe's crew. Please take the time to read through it. The handbook is always available online for future reference. In the last section of this handbook you'll find some important materials, including our **Company Values Guide** and **A Message to All Trader Joe's Crew Members**.

At Trader Joe's there are many opportunities for promotion and growth. If you have the skills, motivation, and a passion for food and customer service, you have the potential for a strong future with Trader Joe's. If you are interested in a career at Trader Joe's, we encourage you to talk about the possibilities with your Captain or Regional Vice President.

Trader Joe's believes in open and honest communication. If, at any time, you have questions about this handbook or about any issues pertaining to the company or your job, you are encouraged to seek clarification and information from your Captain, Regional Vice President, or Human Resources.

This handbook is a "living" document that can and will change as Trader Joe's grows and changes. It is not a contract of employment, implied or otherwise, and you should not consider it to be one. It does not contain any guarantees concerning your length of service or any benefits, policies, or other matters. Although you will be notified of any changes to policies presented in this handbook, Trader Joe's reserves the right to make changes without notification. The most up to date version of the handbook can be accessed online at [www.mytraderjoes.com](http://www.mytraderjoes.com).

# Your Employment at Trader Joe's

## *Diversity and Opportunity*

At Trader Joe's we are committed to providing a WOW! customer experience every day. This means that we select, place, train, and promote the best-qualified crew members based upon relevant factors such as, work quality, attitude, experience, availability, and mobility. Every applicant and crew member has an equal employment opportunity without regard to non-work related factors, such as, race, color, religion, sex, sexual orientation, gender identity, marital status, national origin, citizenship, veteran status, ancestry, age (over 40), physical or mental disability, medical condition (including pregnancy, childbirth, or related medical conditions), or any other consideration made unlawful by applicable federal, state, or local law. Equal employment opportunities will be extended to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, upgrading, training, promotion, compensation, benefits, transfer, discipline, layoff, recall, termination, or any other terms, conditions, or privileges of employment.

## *Our Employment Relationship*

Your employment with Trader Joe's is "at-will." This means that both you and the company have the right to terminate your employment at any time, with or without notice or cause. This handbook is not contractual in nature and does not guarantee you any continuation of benefits. Although your employment with Trader Joe's is at-will, the company strives to provide all crew members the utmost respect and consideration in matters of employment.

## *Open Door Policy*

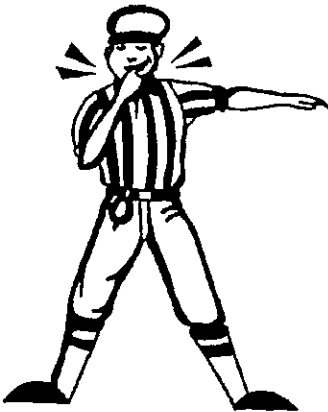
We are committed to maintaining a positive and pleasant environment in which to work and believe in an open door policy. You are encouraged to discuss with your immediate supervisor any suggestions, questions, or problems relating to your job. You may also discuss them with any member of management without regard to his or her position in the company.



While this process may not result in every problem being solved or every question answered to your satisfaction, we value your input and you should feel free to raise issues of concern.

## *Resolving Your Concerns*

If you believe a matter has not been sufficiently addressed by your Captain, you may contact your Regional or call Human Resources. You should call your Regional and/or Human Resources as soon as possible after the event that has led to your concern.



All concerns will be investigated as appropriate and will generally involve interviews with you and other crew members named in your complaint. Trader Joe's will treat all internal concerns as confidential to the extent possible in order to resolve matters. Upon completion of the investigation, the company will promptly provide you with a response.

While Trader Joe's provides you with this opportunity to communicate your views, please understand that not every complaint can be resolved to your satisfaction. If you file a complaint in good faith, you will not be disciplined or otherwise penalized because of your complaint, regardless of the outcome.

# Crew Member Performance and Conduct

## *Crew Member Conduct*

Our Mission Statement specifies that we are dedicated to providing the highest quality of customer satisfaction delivered with a sense of warmth, friendliness, fun, individual pride, and company spirit. This means that you must conduct yourself in a professional manner and treat customers and co-workers with courtesy and respect at all times.

Any crew member whose job performance or conduct is not in line with the company's standards will be subject to disciplinary action, which may range from a verbal warning to termination of employment. The appropriate disciplinary action will be determined at the discretion of Trader Joe's management on the basis of the particular facts and circumstances of the situation. Your employment with Trader Joe's is "at-will," which means that it may be terminated by either you or the company at any time, with or without notice or cause.

The following list is not intended to be exhaustive but rather to identify some of those behaviors that will not be tolerated by the company:

- Falsifying or omitting any information on your employment application or other personnel records;
- Failing to treat a customer, crew member, or any other person with courtesy and respect;
- Insubordination or lack of cooperation;
- Failing to follow the instructions of, or to perform work requested by, your supervisor;
- Unsatisfactory work performance;
- Violation of any company policy or procedure;
- Falsifying a timecard or any other company report or record;
- Unauthorized or excessive absences from work;
- Excessive tardiness;
- Excessive cash drawer discrepancies;
- Abusing, wasting, stealing, or embezzling the funds or property of Trader Joe's, a crew member, a customer, or any other person;
- Removing company property or records without written authorization;

- Communicating threatening or defamatory material about Trader Joe's, a crew member, a customer, or any other person, through any electronic means (including, but not limited to text messages, e-mails, voicemails, and internet blogs);
- Fighting or creating a disturbance on company premises, while performing job duties, while wearing a Trader Joe's name badge and/or shirt, or while at company-related events;
- Possession of firearms, weapons, drug paraphernalia, or dangerous substances while performing job duties, while on company premises, or while at company-related events;
- Making or receiving excessive personal telephone calls on company time;
- Sale of alcoholic beverages to a minor;
- Sale of alcohol when prohibited by state law;
- Consuming, possessing, or selling illegal drugs or controlled substances on company premises (including the parking lot) or while performing job duties;
- Consuming alcohol on company premises (including the parking lot) or while performing job duties (except during a store tasting supervised by store management);
- Becoming intoxicated and/or exhibiting behavior that is offensive to other crew members at company-related events;
- Reporting to work under the influence of alcohol, an illegal drug, or controlled substance, or in a condition unfit to perform your duties;
- Smoking, eating, or drinking in prohibited areas;
- Violating a company safety rule or practice;
- Unauthorized solicitation or distribution on company property;
- Disclosing confidential company information without authorization;
- Acting in conflict with the interests of the company; and
- Failing to fully cooperate in any company investigation.

This is not a complete list of grounds for discipline. A crew member may be subject to disciplinary action, up to and including termination, for any other conduct deemed unacceptable by Trader Joe's.

## *Discrimination and Non-Harassment*

It is the policy of Trader Joe's that each crew member of the company is entitled to work in an environment that is free of unlawful discrimination, harassment, or intimidation and in which his or her personal dignity is respected. Unlawful discrimination or harassment in employment on the basis of sex, race, ancestry, color, religion, sexual orientation, gender identity, national origin, citizenship, veteran status, age (over 40), physical or mental disability, or medical condition (including pregnancy, childbirth, and related medical conditions) violates state and federal law and is strictly prohibited by the company. Crew members who violate this policy will be subject to disciplinary action, up to and including termination of employment.

### *What is Harassment?*

Harassment includes, but is not limited to:

- Visual conduct, including displaying derogatory objects, pictures, cartoons, or posters;
- Verbal conduct, including making or using derogatory comments, epithets, slurs, or jokes;
- Physical conduct such as assaults, unwanted touching, blocking normal movement or interfering with work because of sex, race, or any other protected basis;
- Threatening or intimidating behavior; or
- Retaliation for having reported or threatened to report harassment.

All forms of harassment undermine the employment relationship by creating an intimidating, hostile, or offensive work environment and will not be tolerated.

### *What is Sexual Harassment?*

Sexual harassment is a particular form of crew member misconduct that is strictly prohibited and will not be tolerated. Sexual harassment includes, but is not limited to, unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. Sexual harassment includes gender harassment and harassment on the basis of pregnancy, childbirth, or related medical conditions, and also includes sexual harassment of a crew member of the same gender as the harasser.

This includes, but is not limited to, the following types of offensive behavior:

- Unwanted sexual advances;
- Offering employment benefits in exchange for sexual favors;
- Making or threatening reprisals after a negative response to sexual advances;
- Visual conduct, including leering, making sexual or obscene gestures, or displaying sexually suggestive objects, pictures, cartoons, or posters;
- Verbal conduct, including making or using derogatory comments, epithets, slurs, jokes, invitations, suggestive or insulting sounds;
- Verbal sexual advances or propositions;
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes, or invitations;
- Physical conduct, including touching, assault, impeding, or blocking movements; or
- Retaliation for having reported or threatened to report sexual harassment.

Some examples of sexual harassment complaints include (a) a crew member fired or denied a job or an employment benefit because he/she refused to grant sexual favors or because he/she complained about harassment; (b) a crew member who quit because he/she could no longer tolerate an offensive work environment; and (c) a crew member exposed to an offensive or hostile work environment.

Any behavior of a sexual nature in the workplace is considered unprofessional. Any conduct that degrades or ridicules another crew member is considered unprofessional. Such unprofessional conduct will not be tolerated because it undermines morale, interferes with performance, and demeans its victims.

## *Trader Joe's Complaint Procedure*

Trader Joe's will take all reasonable steps to prevent all forms of harassment, including sexual harassment, from occurring and will take immediate and appropriate action when the company determines that unlawful harassment has occurred.

All crew members have the right to be free from unlawful harassment while in the employ of Trader Joe's. If you have been harassed by a co-worker, supervisor, agent, vendor, or customer, you should promptly report the facts of the incident(s) and the name(s) of the individual(s) involved to your Captain without fear of retaliation. If you want to report harassment by your Captain, or if you feel uncomfortable reporting the matter directly to your Captain, you can report it to either the Regional Vice President for your store, to Human Resources at (888) 507-7660, or to any member of management.



The company will thoroughly investigate all claims of harassment. Trader Joe's will, to the extent practicable, respect the confidences and sensitivities of all persons involved in the incident. However, investigation of such complaints may require disclosure to the accused harasser and other witnesses in order to gain pertinent facts.

Following the investigation of a complaint, if the circumstances warrant it, the company will take prompt, effective, and appropriate action, up to and including termination of employment. The company's determination and related company action will be communicated to you and steps will be taken to prevent further harassment.

## *Other Remedies*

In addition, if you believe that you have been subjected to unlawful discrimination or harassment and are not satisfied with the company's response, you may file a complaint with either the U. S. Equal Employment Opportunity Commission (EEOC) or your state office (see table below). Further information on both of these agencies is contained in the legal postings in your store. The address and telephone number for the local offices of the EEOC may be found in the Government Offices listings in the telephone book or online at [www.eeoc.gov](http://www.eeoc.gov).



|                      |                                                                        |
|----------------------|------------------------------------------------------------------------|
| Alabama              | Equal Employment Opportunity Commission                                |
| Arizona              | State of Arizona, Attorney General's Office, Civil Rights Division     |
| California           | California Department of Fair Employment and Housing                   |
| Colorado             | Colorado Department of Human Services                                  |
| Connecticut          | Connecticut Commission on Human Rights and Opportunities               |
| Delaware             | Delaware Division of Industrial Affairs                                |
| District of Columbia | District of Columbia Commission on Human Rights                        |
| Florida              | Florida Commission on Human Relations                                  |
| Georgia              | Georgia Commission on Equal Opportunity                                |
| Idaho                | Idaho Human Rights Commission                                          |
| Illinois             | Department of Human Rights of the State of Illinois                    |
| Indiana              | Indiana Civil Rights Commission                                        |
| Iowa                 | Iowa Civil Rights Commission                                           |
| Kansas               | Kansas Human Rights Commission                                         |
| Kentucky             | Kentucky Human Rights Commission                                       |
| Louisiana            | Louisiana Human Rights Commission                                      |
| Maine                | Maine Human Rights Commission                                          |
| Maryland             | Maryland Human Relations Commission                                    |
| Massachusetts        | Massachusetts Commission Against Discrimination                        |
| Michigan             | Michigan Department of Civil Rights                                    |
| Minnesota            | Minnesota Department of Human Rights                                   |
| Missouri             | Missouri Commission on Human Rights                                    |
| Nebraska             | Nebraska Equal Opportunity Commission                                  |
| Nevada               | Nevada Rights Commission                                               |
| New Hampshire        | New Hampshire Human Rights Commission                                  |
| New Jersey           | New Jersey Department of Law & Public Safety, Division on Civil Rights |
| New Mexico           | New Mexico Human Rights Division                                       |
| New York             | New York Division of Human Rights                                      |
| North Carolina       | North Carolina Human Relations Commission                              |
| Ohio                 | Ohio Civil Rights Commission                                           |
| Oklahoma             | Oklahoma Human Rights Commission                                       |
| Oregon               | Civil Rights Division of the Bureau of Labor and Industries            |
| Pennsylvania         | Pennsylvania Human Relations Commission                                |
| Rhode Island         | Rhode Island Human Rights Commission                                   |
| South Carolina       | South Carolina Human Rights Commission                                 |
| Tennessee            | Tennessee Human Rights Commission                                      |

|            |                                                                      |
|------------|----------------------------------------------------------------------|
| Texas      | Texas Workforce Commission Civil Rights Division                     |
| Utah       | Utah Antidiscrimination & Labor Division                             |
| Vermont    | Vermont Human Rights Commission                                      |
| Virginia   | Virginia Council on Human Rights                                     |
| Washington | Washington State Human Rights Commission                             |
| Wisconsin  | Wisconsin Department of Workforce Development, Equal Rights Division |

## Non-Retaliation Policy

Trader Joe's will not tolerate retaliation by management or co-workers against any crew member for reporting or complaining of unlawful discriminatory practices (including harassment), for filing a complaint with a governmental agency, or for otherwise participating in any proceeding, including an investigation, in connection with such a complaint.

### *False Claims*

Crew members who knowingly file false complaints will be subject to appropriate discipline, up to and including termination of employment.

### *Disability Accommodations*

Trader Joe's will make reasonable accommodations for the known physical or mental disabilities of otherwise qualified crew members or applicants for employment where their disability affects the performance of essential job functions, unless undue hardship to Trader Joe's would result. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Disability accommodations may be provided under the guidelines of the Americans with Disabilities Act (ADA). The ADA protects crew members and applicants from employment discrimination due to a disability. Trader Joe's is committed to complying with the ADA and

any crew member or applicant who requires accommodation in order to perform the essential functions of a job or to apply for a job should contact Human Resources. The crew member and the company will identify possible accommodations, if any, that will help eliminate the limitation. If an accommodation is reasonable and will not impose an undue hardship upon the company, the company will make the accommodation. If multiple accommodations are available, which accommodation is utilized will be at the company's discretion.

The company also will not discriminate against any qualified crew members or applicants because of a disability. If you believe that you have been subjected to any form of unlawful discrimination, you should promptly report the facts of the incident(s), name(s) of the individual(s) involved, and the name(s) of any witness(es) to your Captain or Mate. If you feel uncomfortable reporting the matter to store management, you can report it to the Regional Vice President for your store or to Human Resources at (888) 507-7660.

## *Drug-Free Workplace*

Trader Joe's expects you to be fit for duty at all times. To this end, we maintain a policy of intolerance for the use of drugs (as defined below) in the workplace. In addition, this policy extends to being under the influence of drugs during working hours. Furthermore, possessing, selling, or transferring drugs on company premises is strictly prohibited.

For the purposes of this policy, drugs are defined as illegal drugs, alcohol, legally-prescribed drugs taken improperly, and other mind-altering substances. To the extent that they render or may render you unable to perform your duties competently and safely, certain properly administered prescription and over-the-counter drugs may be included as well.

If you are required to take a medication that may affect your job performance, it is your responsibility to report this to your Captain. Trader Joe's will make every effort to provide a reasonable accommodation to assure your safety and the safety of others.

We reserve the right to ask you to submit to a drug test any time that your behavior or appearance reasonably indicates that you may be in violation of this policy. If you are found to be in violation of this policy, you will be subject to disciplinary action, up to and including termination of your employment.

If you feel that you have a substance abuse problem that is affecting your job performance, you should notify your supervisor or Human Resources, or contact the Crew Member Assistance Program. Trader Joe's will make every effort to provide you the time necessary to seek assistance for your condition. Your disclosure will be kept in the strictest of confidence.

## *Personal Relationships Between Co-Workers*



Crew and Merchants may date each other. You should, however, keep our Non-Harassment policy in mind – unwanted requests for dates can be a form of sexual harassment. Personal relationships may not disrupt or interfere with store operations. If this happens, store management may impose disciplinary action on one or both of the crew members.

Captains and Mates are not allowed to date or have physical relationships with crew members working in the stores in which they are assigned. If there is a mutual interest in developing a personal relationship, the Captain or Mate must report the interest to his/her Regional Vice President or Captain before acting upon the interest. The Regional Vice President will then arrange for a transfer based on business needs.

## *Smoking*

Trader Joe's maintains non-smoking stores and offices. This policy applies to crew members as well as customers and others.



## *Safety*

Trader Joe's is committed to providing a safe place for crew members to work. It is the responsibility of each crew member to maintain a safe work environment and to adhere to safe working practices.

We recognize that certain behaviors are more likely to lead to accidents. These include, for example:

- Improper lifting;
- Untidy housekeeping;
- Obstructed aisles;
- Improper use of equipment; and
- Horseplay.



We ask that you follow safe work practices at all times in your daily duties and prevent accidents before they happen.

If you become aware of an unsafe situation, you are expected to report it immediately to store management or to any member of your safety committee. We also encourage you to make

suggestions for a safer work atmosphere. If you see that a safety issue is not corrected, you should report it to your Regional Vice President or Human Resources. There will be no retaliation for making these reports.

If you sustain a work-related injury or illness, you should report the incident to your Captain or supervisor immediately so that you may be provided the necessary medical attention right away. Through Trader Joe's workers' compensation insurance, you will be provided treatment at no cost to you. Should you be temporarily unable to return to work because of your work-related illness or injury, you may be eligible for a medical leave of absence. The details of this leave are described in the Leaves of Absence section of this handbook.



Specific information about safe work practices and further safety resources are provided in the **Safety Notebook**, available at your store location. We expect that you read this program and apply it to your everyday activities. Disregard and violation of safety practices will be grounds for disciplinary action, up to and including termination of employment.

## *Workplace Violence Prevention*

Trader Joe's is committed to preventing workplace violence. The following information is provided to assist you in dealing with intimidation, harassment, threats, or actual violence that may occur on company premises.

All crew members are to be treated with respect and courtesy at all times. You are expected to refrain from horseplay, fighting, or other behavior that may be dangerous to others. Weapons, firearms, and other dangerous or hazardous devices or substances are prohibited on Trader Joe's premises.

Trader Joe's encourages crew members to involve their Captain, Regional or Human Resources in their disputes or differences with other crew members before the situation escalates to potential violence. We are eager to assist in the resolution of crew member disputes and will not discipline crew members for raising concerns.

Conduct that threatens, intimidates, or coerces another crew member, a customer, or other associate of Trader Joe's at any time, including off-duty periods, will not be tolerated. All violent acts, or threats of violence, both direct and indirect, should be reported to your Captain or any other member of management as soon as possible. This includes threats made by crew members as well as threats by customers, suppliers, solicitors, or other members of the public. Be as detailed and specific in your report as possible.

You should also report any suspicious individuals or activities to your Captain as soon as possible. If you see or hear a commotion, do not attempt to intervene or determine what is happening. Leave the scene and do not put yourself in danger.



Trader Joe's will promptly and thoroughly investigate all reports of threats, violence, or suspicious individuals and/or activities. The identity of the person making the report will be protected to the extent possible. In order to maintain workplace safety and the integrity of the investigation, Trader Joe's may suspend crew members, with or without pay, pending investigation.

Anyone determined to be responsible for threats or actual violent acts, or other conduct that is in violation of these guidelines, will be subject to prompt disciplinary action, up to and including termination of employment.



Trader Joe's has developed a detailed **Workplace Violence Prevention Program**, available at your store location. We expect that you read this program and apply it to your everyday activities.

## *No Solicitation*

No solicitation activities (including verbal solicitation, distribution of written material, hand billing, petitioning, or similar activities) on behalf of any individual, group, or organization is permitted by:

- A crew member who is or should be performing his/her assigned work tasks; or
- A non-working crew member if it interferes with the work of a crew member who is or should be performing his/her assigned work tasks.

A crew member may not engage in any solicitation activities in any selling area or in any other customer service area at any time.

No distribution of any written materials is permitted in any work area at any time. Solicitation activities by a crew member during his/her own non-working time, such as during established rest periods, meal times, or other specified break periods, is not prohibited if it takes place outside of any selling area or other customer service area and does not interfere with any other crew member who is performing his/her assigned work.

Any crew member who violates or allows a violation of our no solicitation policy may be subject to disciplinary action, up to and including termination.

## *Dress and Personal Appearance*

Dress requirements at Trader Joe's vary by store. If you have questions about these expectations, you should talk to your Captain. You are expected to report to work at all times clean and well-groomed. Your Trader Joe's shirt and name tag are intended to be worn while you are working at Trader Joe's.



If you report to work inappropriately groomed or without your Trader Joe's shirt and name tag, you may be sent home and asked to return to work groomed and/or appropriately dressed. You will not be paid while you are away from work.

## *Attendance*

Trader Joe's understands that crew members have additional responsibilities and interests outside of work. Regular and punctual attendance is an essential part of the job. It is your responsibility to know your schedule and to be ready to work at the scheduled start of your shift.

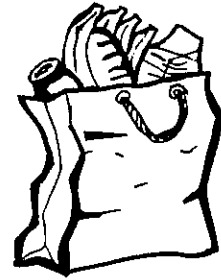
In the event that you must be tardy or absent because of a sudden illness or other emergency, we ask that you inform store management as soon as possible. If feasible, you should notify your Captain or supervisor at least two (2) hours before the scheduled start of your shift. Calls should be made by you, the crew member, unless you are medically unable. Failure to provide such notice is grounds for disciplinary action. Unauthorized or excessive tardiness or absences from work is grounds for disciplinary action, up to and including termination of employment.

If you are away from work for two (2) or more scheduled shifts without notification to your Captain or Mate or other authorized representative of the company, you will be considered to have abandoned your job.

## *Crew Member Purchases*

The following rules apply when you make purchases in a Trader Joe's store:

- You must get in line like any other customer when making purchases;
- If you are purchasing merchandise to be eaten at the store, you must keep the cash register receipt in order to support your purchase;
- If you are purchasing merchandise to be taken home, the merchandise should be paid for and taken directly out of the store after your shift has ended;
- You must have another crew member who is permitted to run cash registers ring up your purchases. All crew members must have their purchases rung up in the presence of a Mate or Captain;
- Avoid ringing up purchases made by relatives or friends.



Any crew member leaving the store premises with packages may be stopped and the packages may be examined. You are required to produce a receipt as proof of your purchase. Do not leave the store with packages on a meal break, at closing, or at any other time without proof of purchase. Failure to produce proof of purchase will result in disciplinary action, up to and including termination.

It is never appropriate to take, purchase or consume spoiled items.

If your personal check is returned to the store unpaid because of your negligence, you may be subject to disciplinary action, up to and including termination.

## *Crew Member Records and Information*

Trader Joe's maintains an employment file on each crew member. The accuracy of this record is important for both you and the company. It is your responsibility to inform your Captain or Human Resources of any changes in information including, but not limited to, name, address, and telephone number, as well as changes relating to marital status and dependents, for the purpose of updating your benefits.

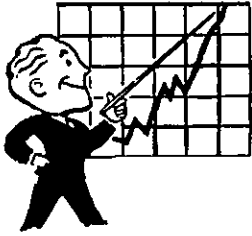


The information kept in your file is considered confidential and is only accessible to designated members of management. You may request a copy of your file as permitted by state law by submitting your request in writing to Human Resources.

Trader Joe's uses an external automated service to provide employment verifications for our crew members. All requests for employment and income verification must be completed through this service. For further details, please ask your Captain or contact Human Resources.

## *Performance Evaluations*

Trader Joe's believes in the value of regular, formal discussions about job performance and goals between store management and crew members. As a Crew, you have the opportunity to receive a pay increase two (2) times a year through semi-annual performance reviews. To be eligible for a performance review you must have been actively at work for more than 90 days during the review period.



The scheduled semi-annual evaluations provide an opportunity for both you and your management team to consider your past performance and your job strengths and weaknesses. These reviews are also a time to discuss opportunities for improvement as well as your job goals for the upcoming review period.

There is no guarantee of an increase in pay or job responsibilities. Should an increase be granted, it will go into effect on the scheduled semi-annual review date.

## *Requesting a Transfer*

If you are interested in transferring to another Trader Joe's store, you must first request a transfer from your Captain. Upon approval, you may begin discussing open positions at other locations. The Captain of each store involved must approve the transfer in advance. State-to-state transfers will require the additional approval of the applicable Regional Vice President.

There is no guarantee that your request for a transfer will be granted.

## *Computer and Communication Systems*

Trader Joe's computer, telephone, e-mail, voice mail, internet, intranet and other data processing and telecommunication systems are owned by the Company. These systems are provided for your use for company business only.

## *Customer Relations*

We love our customers! We prove our devotion through our interactions, our appearance, and our commitment to delivering an amazing shopping experience that's rewarding, eventful, and fun. We're not shy – we shout it from the rooftops, as evidenced by Value #3: At Trader Joe's, we create WOW! customer experiences every day.

## *Competitor Relations*

We respect our competitors and we never criticize a competitor to a customer. We make no agreements or "deals" with competitors regarding customers, territories, hours, services, or products. Information, pictures, "publicity", etc. regarding our operations may not be given to anyone. If approached by a member of the media, or anyone seeking information about Trader Joe's and its operations, you should refer them to your Captain.

## *Inspections*

Lockers, desks, and other storage facilities are provided for your convenience; however, they remain the sole property of Trader Joe's and any authorized agent of Trader Joe's may inspect them, as well as any articles found in them, at any time, with or without prior notice to you.

# Your Compensation at Trader Joe's

## *Employment Classifications*

You are considered Crew at Trader Joe's. As Crew, you are classified as non-exempt according to the guidelines provided under federal and state regulations. As such, you are paid for the actual hours that you work. All federal and state laws governing wages and working conditions apply to you, including payment of premium pay for overtime hours worked. We do not guarantee Crew a minimum number of hours or particular shifts. We also reserve the right to revise schedules when necessary.

## *Payroll Periods and Paydays*

Nothing is usual at Trader Joe's! We're a unique grocer and we have a unique workday and workweek as well. At Trader Joe's, the workweek begins at 3:00 a.m. on Monday and ends on 2:59 a.m. on the following Monday of each week, except in Massachusetts, Rhode Island, and Nevada. In Massachusetts and Rhode Island, the workweek begins at 12:00 a.m. on Monday and ends at 11:59 p.m. on the following Sunday. In Nevada, the workweek begins when you first clock-in during the pay period (any time after 12:00 a.m. on Monday), and ends when you clock out for your last shift of the week on, or before, Sunday.



The payroll period is two (2) weeks long, with the scheduled payday being the Friday following the end of the pay period.

In New Hampshire and Rhode Island, the payroll period is one (1) week long, with the scheduled payday being every Friday.

## *What Counts as Work*

Naturally, the time you're actively on the job counts as time worked. But time you put in outside of your regular, scheduled shifts may also be considered time worked. Some common situations are described below.

- **When the store is not open.** If you are in the store before or after it is open to the public, you may still be working. Simply showing up early for your own

convenience does not count as working if you are not performing services for Trader Joe's. On the other hand, if you stay after closing to clean, stock shelves, etc., that counts as time worked. Time spent shopping for your personal groceries is not time worked.

- **Public Events.** If you serve food at a public event that we have organized in order to promote our business, it is time worked. If, however, you take a cooking or wine-tasting course that we do not require, it is not time worked.
- **Meetings and Tastings.** If you attend a mandatory meeting or a tasting run by your store, that counts as time worked.

## Overtime

You may occasionally be asked to work overtime. You will be paid overtime in accordance with current federal and state laws. Generally, you will be paid at a rate of 1½ times your hourly rate for all hours you work over 40 in one (1) workweek, unless other provisions apply in the state in which you work as follows:



|                      |                                                                                                                                                                                                                                                                                                                                                 |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>California</b>    | <p>You will be paid 1½ times your hourly rate for all hours worked over 8 hours in a day; over 40 hours in a week; and during the first 8 hours of your seventh workday in 1 workweek.</p> <p>You will be paid 2 times your hourly rate for all hours worked over 12 hours in 1 day, or over 8 hours of your seventh workday in 1 workweek.</p> |
| <b>Colorado</b>      | <p>You will be paid 1½ times your hourly rate for all hours worked over 40 hours in a workweek, over 12 hours in a workday, or over 12 consecutive hours without regard to the starting and ending time of the workday (excluding duty free meal periods), whichever calculation results in the greater payment of wages.</p>                   |
| <b>Kentucky</b>      | <p>You will be paid 1½ times your hourly rate for all hours worked over 40 hours in a workweek. In addition, you will be paid 1½ times your hourly rate for the seventh day worked in a workweek unless you work less than 40 hours in the workweek.</p>                                                                                        |
| <b>Massachusetts</b> | <p>You will be paid 1½ times your hourly rate for all hours worked over 40 hours in a workweek. In addition, you will be paid 1½ times your hourly rate for all hours worked on Sundays, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day, and New Year's Day.</p>                       |
| <b>Nevada</b>        | <p>You will be paid 1½ times your hourly rate for all hours worked over 8 hours in a day, or over 40 regular hours worked in a workweek.</p>                                                                                                                                                                                                    |

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**Rhode Island**

You will be paid  $1\frac{1}{2}$  times your hourly rate for all hours worked over 40 hours in a workweek. In addition, you will be paid  $1\frac{1}{2}$  times your hourly rate for all hours worked on Sundays, Memorial Day, Independence Day, Victory Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day, and New Year's Day. If the holiday falls on a Sunday, then the following Monday will be observed as a holiday.

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## *Recording Your Time*

Trader Joe's pays for all time you work; therefore, it is important to accurately record your time. It is your responsibility to punch at the timekeeper terminal at the beginning and end of your shift and when you take a meal period. You must be ready to work at the time you have punched in. It is also your responsibility to review and approve your timecard each pay period.

The timekeeping system will round punches to the nearest 6-minute increment, except for meal periods. Each meal period interval will be rounded to the nearest tenth of an hour and subtracted from the total length of the shift. See the following example for an 8:00 a.m. to 4:00 p.m. scheduled shift with a 30-minute lunch:

In punch = 8:03 a.m., rounds to 8:06 a.m.

Out punch = 4:03 p.m., rounds to 4:06 p.m.

Shift length = 8:06 a.m. to 4:06 p.m. = 8.0 hours

Subtract the meal period - (10:58 a.m. to 11:31 a.m.) 33 minutes, rounds to = 0.6 hours

Total work time = 7.4 hours

It is your responsibility to record your time correctly by using your crew member identification number to punch into the terminal. Your crew member identification number is not to be shared with other crew members. Crew members are expected to punch in and out for themselves only. Falsification of timekeeping is grounds for disciplinary action, up to and including termination of employment.

Should it be necessary to adjust your time for any reason, you should immediately notify your Captain or Mate. You are expected to maintain an accurate timecard by punching in and out at the start and end of your shift and for meal periods. Failure to accurately record your time will be grounds for disciplinary action, up to and including termination of employment.

## Meal Periods and Rest Breaks

For health and well-being, and in some instances as required by law, Trader Joe's encourages all crew members to take rest breaks and meal periods. Among other things, these breaks help to promote creative and productive work.



### Meal Periods

Trader Joe's will schedule you for a 30-minute meal period, however, we do not have a standard meal period. You may be absent for 30, 45, or 60 minutes, depending upon the arrangement made with your Captain. Unless your state has specific requirements described below, you must take a minimum of 30 minutes each day as a meal period if you work a shift that is more than six (6) hours.

Meal periods are unpaid and should be taken near the middle of your shift. You should coordinate the scheduling of your meal period(s) with your Captain. You are required to punch in and out when you take a meal period break.

You are not permitted to waive a meal period to end your shift early.

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>California</b>  | If your shift is more than 5 hours, you will be scheduled for a minimum of 30 minutes as a meal period. If your shift is 6 hours or less, you may waive your 30-minute meal period with the consent of your Captain.<br><br>If you work a shift of at least 10 hours, you are entitled to 2 meal periods. You may waive the second meal period if you have taken the first meal period and you do not work more than 12 hours. If you work 12 hours, you must take both meal periods.<br><br>Meal periods should be taken near the middle of your shift but must begin before the fifth hour of your shift. |
| <b>Colorado</b>    | If your shift is more than 5 hours, you will be scheduled for a minimum of 30 minutes as a meal period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Connecticut</b> | If your shift is more than 7.5 hours, you will be allowed to take an unpaid meal period of at least 30 minutes. Your meal period must be taken after the first 2 hours of your shift and before the last 2 hours.                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Delaware</b>    | If your shift is 7.5 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes. Your meal must be taken after the first 2 hours of your shift and before the last 2 hours.                                                                                                                                                                                                                                                                                                                                                                                                    |

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Illinois</b>      | If your shift is 7.5 hours or more, you will be allowed to take an unpaid meal period of at least 20 minutes beginning within the first 5 hours of work.                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Kentucky</b>      | A meal period will be granted as close to the middle of your scheduled work shift as possible. In no case shall your meal period be scheduled sooner than 3 hours after your shift commences, nor more than 5 hours from the time your shift commences.                                                                                                                                                                                                                                                                                            |
| <b>Maine</b>         | If your shift is 6 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Massachusetts</b> | If your shift is 6 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Minnesota</b>     | If your shift is 8 hours or more, you will be allowed to take an unpaid meal period.                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Nevada</b>        | If your shift is 8 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>New Hampshire</b> | If your shift is 5 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>New York</b>      | If your shift is more than 6 hours, you will be allowed to take an unpaid meal period of at least 30 minutes. If your shift spans the period from 11:00 a.m. to 2:00 p.m., your meal period must be taken during that time. However, if your shift is longer than 6 hours and starts after 1:00 p.m. (or before 6:00 a.m.), you must take an unpaid meal period of at least 45 minutes.<br>If your shift starts before 11:00 and continues later than 7:00 p.m., you must take an additional 20-minute meal period between 5:00 p.m. and 7:00 p.m. |
| <b>Oregon</b>        | If your shift is 7 hours or less, your meal period must be between the second and fifth hours that you work; if your shift is more than 7 hours, it must be taken between the third and sixth hours that you work.                                                                                                                                                                                                                                                                                                                                 |
| <b>Rhode Island</b>  | If your shift is 6 hours or more, you will be allowed to take an unpaid meal period of at least 20 minutes. If your shift is 8 hours or more, you must take a 30-minute unpaid meal period.                                                                                                                                                                                                                                                                                                                                                        |
| <b>Tennessee</b>     | If your shift is 6 hours or more, you will be allowed to take an unpaid meal period of at least 30 minutes. The meal period may not be taken prior to the first hour of work.                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Vermont</b>       | You are entitled to a reasonable opportunity during the work period to eat and attend to your personal hygiene and comfort.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Washington</b>    | If your shift is more than 5 hours, you will be allowed to take an unpaid meal period of at least 30 minutes. Your meal period will be scheduled between the second and fifth hours that you work. In addition, if you work 3 or more hours longer than a normal work day, you will be allowed at least one 30-minute meal period prior to or during the overtime period.                                                                                                                                                                          |

## *Rest Breaks*

Although Trader Joe's does not formally schedule rest breaks, you will be allowed to take rest breaks as needed depending upon the current activity in the store. Certain states may have requirements for rest breaks (see table below). In these states, you must comply with this requirement. At your option, you may take scheduled breaks or you may take them intermittently as needed and subject to store activity. To take a periodic break (to use the restroom, to get a drink of water, etc.), all you have to do is ask your Captain or Mate. Remember, if you opt for a scheduled break, store management may require that you take care of all personal needs during that time. No deduction from time worked is made for such rest breaks.

You are not permitted to waive a rest break to end your shift early.

|                   |                                                                                                                                                                                                                                                                                                                                                    |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>California</b> | You are entitled to a 10-minute break for every 4 hours (or major part thereof) worked, which should be taken as close to the middle of each 4-hour segment as possible. At your option, you may have your break scheduled or you may take it as needed and subject to store activity. No deduction from time worked is made for such rest breaks. |
| <b>Colorado</b>   | You must take a paid rest break of at least 10 minutes for every 4 hours (or major portion thereof) that you work. Your rest break should be taken near the middle of each 4-hour period.                                                                                                                                                          |
| <b>Kentucky</b>   | You must take at least a 10-minute, paid rest period during each 4-hour period worked. Rest periods are in addition to a regularly scheduled lunch period and apply to both hourly and salaried workers.                                                                                                                                           |
| <b>Minnesota</b>  | You may take a paid rest break for every 4 hours that you work.                                                                                                                                                                                                                                                                                    |
| <b>Nevada</b>     | If you work a shift of at least 3.5 hours, you must take a paid rest break of at least 10 minutes for every 4 hours that you work.                                                                                                                                                                                                                 |
| <b>Oregon</b>     | You must take a paid rest break of at least 10 minutes for every 4 hours (or major portion thereof) that you work. Your rest break should be taken near the middle of each 4-hour period.                                                                                                                                                          |
| <b>Vermont</b>    | You are entitled to a reasonable opportunity during the work period to eat and attend to your personal hygiene and comfort.                                                                                                                                                                                                                        |
| <b>Washington</b> | <p>You must take a paid rest break of at least 10 minutes for every 4 hours (or major portion thereof) that you work. Your rest break should be taken near the middle of each 4-hour period.</p> <p>Crew members under the age of 18 must receive a rest break at least every 3 hours.</p>                                                         |



Failure to adhere to meal period and break schedules may be grounds for disciplinary action, up to and including termination of employment.

### *Nursing Mothers*

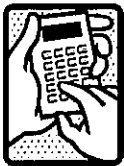
Trader Joe's allows nursing mothers time and space to express breast milk in private. The company will make reasonable efforts to provide crew members with the use of a room or other location, other than a toilet stall, for that purpose. If possible, time spent expressing breast milk should coincide with the paid rest period(s) for that shift. If more time is needed, it will be unpaid.

### *Direct Deposit*

For your convenience, your paycheck may be deposited directly into your checking or savings account. Your first automatic deposit may not be effective until one (1) or two (2) pay periods after Human Resources receives your authorization form with the appropriate account documentation. You will receive a statement of earnings each payday detailing your earnings and any deductions for income and payroll taxes, disability contributions, etc., so that you will know how much has been deposited into your account.

To make a change to your direct deposit (including changing account numbers or switching banks), you will need to submit a new authorization form and necessary documentation. In order to cancel direct deposit, you must submit a revocation form. You may also enroll in direct deposit in Dayforce.

### *Your Pay*



It is Trader Joe's policy and practice to accurately compensate crew members and to do so in compliance with all applicable state and federal laws. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. When you receive your payroll check/stub, please review it for accuracy. If you believe an error has occurred, or you have any questions, please notify your supervisor immediately.

# Your Benefits at Trader Joe's

Trader Joe's offers a variety of benefits to assure your health and well-being and that of your family. These benefits are intended to provide assistance for many aspects of your life, from health care to crew member discounts.

The following is a brief overview of the benefit plans and programs offered. Some benefits begin on your first day of employment, while others may have eligibility requirements. Further details can also be found in the carrier's booklets and on our website [www.mytraderjoes.com](http://www.mytraderjoes.com). The descriptions below are intended only as summaries and in all cases the plan document will prevail in determining individual eligibility and benefits under each plan.

## *Retirement Plan*

The Trader Joe's Company Retirement Plan presents one of the best opportunities for you to build your nest egg, and the plan's features make investing easy, convenient, and flexible.

The Retirement Plan is a "defined contribution" plan (in IRS terminology). You will be enrolled in the Retirement Plan once you meet the eligibility requirements.

### *Eligibility for a Trader Joe's Contribution*

To be eligible for an annual company contribution, you must:

- Be at least 20 years old;
- Still be employed by Trader Joe's on December 31<sup>st</sup> of that year; and
- Have been credited with at least 700 hours during that year.

You will receive a Summary Plan Description, including instructions for accessing your account information and directing the investment of your retirement funds, upon enrollment in the Plan.



### *Trader Joe's Contribution*

Each year in which you achieve eligibility, Trader Joe's will make an annual contribution of 10% (5% until age 30) of your annual salary to your retirement plan.

As with any benefit program, there is no guarantee of a contribution or bonus. These benefits are discretionary.

### *Vesting*

What is vesting? It is simply the gradual process by which you become entitled to the contributions that Trader Joe's makes to your retirement plan. For each calendar year of service, in which you are over 18 years old and work over 700 hours, you will receive a year of vesting credit. You will vest in the company contribution to your account based on the vesting schedule below:

|                    |   |             |
|--------------------|---|-------------|
| 1 year of service  | = | 0% vested   |
| 2 years of service | = | 20% vested  |
| 3 years of service | = | 40% vested  |
| 4 years of service | = | 60% vested  |
| 5 years of service | = | 80% vested  |
| 6 years of service | = | 100% vested |

Years of vesting credit begin accruing at age 18. This means that although you may not be receiving a contribution, we still count those years toward vesting. When you do begin to receive contributions, you may be partially vested! If you are age 65, you are automatically fully vested upon meeting the eligibility criteria.

### *401(k) Plan*

#### *401(k) Eligibility*

To be eligible to defer income into the 401(k) portion of the Plan, you must:

- Be at least 20 years old;
- Be employed at least 3 months; and
- Have earned less than the annual IRS limit for highly compensated employees (HCEs) in the previous year. (The HCE limit for income earned in 2014 was \$115,000).

## ***401(k) Deferrals***

You may defer any amount up to 75% of your compensation but not more than the annual IRS limit (the limit in 2015 is \$18,000). If you are age 50 or older during the plan year, you may also elect to defer an additional amount known as a "catch up" contribution. In 2015, the "catch up" contribution is \$6,000 (the IRS limit). Since salary deferrals are made from your paycheck, you are always 100% vested in your salary deferrals into the 401(k) Plan.

Deferrals may begin the first pay day of the quarter following 90 days of employment.

## ***Investments***

You may choose from a variety of mutual fund investment options. Further details about your investment funds will be mailed to you upon enrollment in the Plan.

## ***Distributions***

You can take a distribution from the Retirement Plan any time after you leave employment with Trader Joe's.

You can take certain distributions from the Retirement Plan while you are employed by Trader Joe's. The following is a list of conditions under which you may take an in-service distribution:

- If you are age 59 1/2 or older, you may withdraw salary deferrals and vested employer nonelective contributions.
- If you are age 62 or older, you may withdraw your entire vested account balance.
- If you suffer from a hardship (as indicated below), you may qualify for a hardship withdrawal of your salary deferrals into the 401(k) portion of the Plan. To be considered, you meet the following requirements and need to pay for:
  - Medical Care Expenses – Certain unreimbursed expenses.
  - Principal Residence – Costs directly related to the purchase or repair of your principal residence (not including mortgage payments).
  - Eviction and/or Foreclosure – To prevent eviction from your principal residence and/or foreclosure on the mortgage of your principal residence.

- Tuition – Secondary school education for yourself, your spouse, children or dependents.
- Funeral Expenses – Payments for burial or funeral expenses for your deceased parent, spouse, children or dependents.

For specific details on hardship withdrawals, please contact American Funds at 1-800-204-3731.

If you leave the Company and take a distribution from your retirement plan, you will not be immediately eligible for rehire. However, if you leave the Company, take a distribution from your retirement plan, and meet the standards for rehire, you may be eligible to repay the previously withdrawn amount to the Plan if you have been gone less than five years. For more details, contact your Human Resources Generalist at (626) 599-3700.

## *Health Insurance*

Trader Joe's offers medical, dental, and vision insurance to qualified crew members and their eligible dependents. Detailed descriptions of the benefits are available on [www.mytraderjoes.com](http://www.mytraderjoes.com). These materials should be studied carefully.



## *Eligibility*

Please take a moment to become familiar with the following terms:

|                       |                                                                                                                          |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------|
| Measurement Period    | This is the period used to measure your average hours worked and includes AR hours used.                                 |
| Administrative Period | This is the time between the Measurement and Stability period when you may elect or decline coverage.                    |
| Stability Period      | During the stability period you are covered by the Trader Joe's health plan as long as you remain an active crew member. |

## *Medical, Dental & Vision*

If you work 30 or more average hours per week in a Measurement period, you will qualify for medical, dental, and vision coverage during the Stability period. You may elect or decline coverage during the Administrative period.

## *Dental & Vision*

If you work an average of 15 or more hours per week in a Measurement period, you will be eligible to enroll for free dental and vision coverage for yourself. Dental and vision coverage for eligible dependents will be available at an additional charge.

If you are covered and subsequently become ineligible (if your hours drop below the required hours per week in a Measurement period), your coverage will end on the last day of the Stability period. At that time, you may sign up for COBRA continuation coverage or purchase coverage through a healthcare exchange.

## *New Hires*

Trader Joe's offers two health benefit packages. The package you qualify for depends upon your average hours worked in the first three (3) full calendar months of employment.

If you average 30 or more hours per week during the first three (3) full calendar months of employment, you are eligible to enroll in a benefit package that includes medical, dental and vision coverage.

If you average 15 to 29.99 hours per week during the first three (3) full calendar months of employment, you are eligible to enroll in a benefit package that includes dental and vision coverage.

The benefits packages offered are bundled and cannot be separated.

## *Qualifying Change of Status Events*

If you participate through a pre-tax salary reduction plan, you may only make changes to your health plan if you experience a change of status (such as marriage, divorce, birth of a child, or another allowable change event listed in the Trader Joe's Company Pre-Tax Election Plan). Proof of the change of status must be received by the Human Resources Department within 31

days of the event. For details on change of qualifying events, please visit [www.mytraderjoes.com](http://www.mytraderjoes.com) under Benefit Information.

### ***Annual Enrollment***

Annual Enrollment is your opportunity to review your benefits enrollment status and make changes. During Annual Enrollment, you may elect to enroll in or cancel eligible coverage and make changes to your personal information. The Annual Enrollment period occurs every June and all changes are effective on July 1<sup>st</sup>. For more details, please refer to our benefits website [www.mytraderjoes.com](http://www.mytraderjoes.com).

### ***Termination of Coverage***

Coverage for you and your eligible dependents will terminate on the last day of the month during which:

- Your termination of employment occurs;
- You no longer meet the requirements to maintain coverage;
- You take a personal leave of absence and fail to pay your insurance premiums;
- You are on a Workers' Compensation Leave of Absence for more than 120 days in a 52-week period and fail to pay your insurance premiums; or
- You are on a medical or military leave for more than 120 days in a 52-week period.

If your insurance ends for a reason other than non-payment of premium, you will have the option to continue coverage under COBRA as described below.

Coverage for a dependent may also end on the last day of the month following the date that he or she no longer qualifies as a dependent. At that time, your dependent will be notified of his/her rights to continue coverage under COBRA as described below.

### ***Continuation of Health Insurance Coverage***

When your employment at Trader Joe's ends, or you become ineligible for coverage, or if one of your covered dependents becomes ineligible for our benefit plan, continuation of coverage may be offered through the Consolidated Omnibus Budget Reconciliation Act (COBRA). You and/or your dependents will be notified at that time of details for continuing your coverage through COBRA. In general, you will be given the opportunity to continue your coverage for 18 months, 29 months, or 36 months, depending on the qualifying event(s).

## *Privacy of Health Information*

For the purposes of administering our health insurance plans and other benefit plans, we must collect, use, and disclose certain health and other identifying information about you and your dependents. We are committed to protecting this information in respect of your privacy. Our intent is to handle this information responsibly and professionally. We only share your information with organizations that need it for plan administration, payment, or operations purposes and who agree to keep it protected or as otherwise permitted by law.

## *Crew Member Assistance Program*

Trader Joe's provides a Crew Member Assistance Program (a.k.a. Employee Assistance Program – EAP) for you, your eligible dependents, and your household members. The Plan can refer you to qualified professional counselors who can help you in the areas of stress management, marriage and family issues, alcohol and drug dependency, and emotional problems. In addition, telephone counseling is also available for a broad range of issues including legal concerns, financial issues, child and elder care assistance, federal tax consultation, identity theft, wills, estate planning, and pre-retirement planning.

This benefit is available at no cost to you. You may begin to use this as soon as you are hired.

## *Absence Reserve*

Absence Reserve (AR) is available to you to provide income while you are absent from work for reasons such as:

- Vacation;
- Personal sickness;
- To care for an ill spouse, parent, child, or qualified same-sex domestic partner;
- Personal business;
- Holidays; or
- Bereavement.

You will begin to accumulate dollars into your Absence Reserve account on your first day of employment. Your Absence Reserve account will be credited with an amount equal to 3.6% of your total earnings each pay period until you have been continuously employed by Trader Joe's for three (3) years. On the first of the month following three (3) years of continuous employment, you will begin earning Absence Reserve at a rate of 5%. Total earnings include regular time and overtime, but not Absence Reserve payments.



This account is built up in dollars and charged in dollars. All payments are subject to income and payroll tax withholding and all other normal payroll deductions.

You will continue to accumulate your Absence Reserve account as long as you work. Except as otherwise required by law, you will not accrue additional AR while on a leave of absence. Absence Reserve is carried over from year-to-year and you are not required to "use up" all of your AR in a certain period or year.

Absence Reserve may be used in the pay period following the accrual of dollars, subject to the approval of your Captain. Your Absence Reserve account may not go into the negative. Absence Reserve is intended to replace earnings you have lost when unable to work your scheduled shift(s). It is not to be used arbitrarily to supplement your regularly scheduled hours. It is your responsibility to assure that either you or store management properly submit AR requests into the timekeeping system.

You may supplement disability benefits (i.e., Workers' Compensation, Paid Family Leave, Short Term Disability) with available Absence Reserve funds provided that your total earnings do not exceed your regular weekly earnings.

The total number of hours worked plus requested AR may not exceed eight (8) hours in one (1) day or 40 hours in one (1) week. You may not draw on your AR if your account balance is or would be put into the negative. You may not draw on your AR if you are placed on unpaid suspension.

Upon termination of employment, you will be paid for unused Absence Reserve, subject to income and payroll deductions, that has been earned through the last day of work. If you are rehired by Trader Joe's, you will be required to re-qualify for AR based upon the rehire date.

### *AR Sharing Plan*

Situations arise where you may be moved to help fellow crew members experiencing difficult times. To assist in this situation, Trader Joe's has established an AR Sharing Plan. The AR Sharing Plan is voluntary. You have no obligation to share AR. If however you choose to do so, AR Sharing allows you to donate money from your AR account to an eligible fellow crew member's AR account.

To be eligible for a donation, the recipient crew member must have been employed at Trader Joe's for at least six (6) months and meet one of the following criteria: be on an approved Family and Medical Leave Act (FMLA) leave of absence, be on an approved Trader Joe's Medical

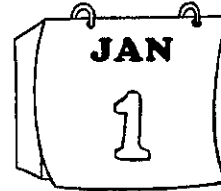
Leave of Absence, or have recently lost an immediate family member (spouse, child, sibling, or parent). Additionally, the recipient crew member must have exhausted his/her AR account.

The donation amount is unlimited and may be made with or without anonymity. The donation must be made while the crew member is on the approved leave or within 21 days of the loss of a family member. To make a donation to an eligible crew member, please contact your Captain or Human Resources for further details.

## *Holidays*

Trader Joe's is closed on the following days:

- New Year's Day
- Thanksgiving Day
- Christmas Day



These are not paid holidays. Therefore, you will not be paid for these days unless you request payment from your available AR account.

## *Crew Member Discount Plan*

Trader Joe's offers a 10% discount for merchandise purchased in our stores by crew members. This discount is available only to you and your spouse or qualified same-sex domestic partner for merchandise purchased for your own use. The discount is not available on gift cards.

You may use your discount at any store in the chain as long as you are employed by Trader Joe's. Be sure to follow the guidelines discussed previously in the Crew Member Purchases section. If you are not given a discount at the time you make a purchase, the discount will be "lost." You are not able to return to the store at a later time to claim the discount.

## *Regulatory Benefits*

You receive all benefits required by law such as state disability, unemployment and Social Security. Trader Joe's makes contributions to these plans as required by law. Required crew member contributions to these plans are deducted from your paychecks.

## *Social Security*

Trader Joe's makes a contribution to Social Security that matches the deduction made from your paycheck. You may be eligible to receive these benefits upon your retirement or sooner in certain circumstances as provided by the Social Security laws.

## *Short Term Disability*

If you become ill or injured off-the-job, you may be entitled to disability payments from the Trader Joe's Short Term Disability Plan, unless you work in a state that provides such a plan as described below. You will receive a portion of your pre-disability earnings for up to 52 weeks, as long as you are determined to be disabled by your physician. You may supplement your Short Term Disability benefits with available Absence Reserve funds provided that your total earnings do not exceed your regular weekly earnings. The Plan is funded through a payroll deduction determined by a percentage of your earnings as set by the Plan or state, whichever is applicable.

|                  |                                                                                                                                                                                                                                                                                                                                          |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| California       | You are automatically enrolled and may be entitled to disability benefits provided by the California State Disability Insurance (SDI) Plan. You will be provided a portion of your pre-disability earnings for up to 52 weeks.                                                                                                           |
| New Jersey       | You are automatically enrolled and may be entitled to disability benefits provided by the New Jersey State Disability Benefits Plan. You will be provided a portion of your pre-disability earnings for up to 26 weeks.                                                                                                                  |
| New York         | <p>You may elect to enroll in the supplemental "Buy-Up" Disability Benefits Plan to provide a portion of your pre-disability earnings for up to 52 weeks.</p> <p>You may cancel your enrollment in the Buy-Up plan, and only be enrolled in the "Core" plan to provide a portion of your pre-disability earnings for up to 26 weeks.</p> |
| Rhode Island     | You are automatically enrolled and may be entitled to disability benefits provided by the Rhode Island Temporary Disability Insurance. You will be provided a portion of your pre-disability earnings for up to 30 weeks.                                                                                                                |
| All Other States | Once you qualify for benefits, you may elect to enroll in the Short Term Disability Plan.                                                                                                                                                                                                                                                |

## *Workers' Compensation*

If you sustain a work-related injury or become ill on account of the job, you may receive workers' compensation insurance benefits. Workers' compensation insurance is intended to provide medical care and pay for lost time resulting from injuries and illnesses caused by or occurring while at work.

If you become injured or ill as a result of your employment, report the injury or illness, no matter how minor, to your Captain or Mate as soon as possible. If you have not predesignated a treating physician, Trader Joe's will direct you to an appropriate health care provider for treatment. Failure to file a claim for an injury or illness in a timely manner may jeopardize your rights to certain benefits.

Additional information regarding workers' compensation rights and benefits are posted at your store.

Workers' compensation insurance coverage is not available to you for injuries that occur during your voluntary participation in any off-duty recreational, social, or athletic activity that is not part of your work-related duties, even if sponsored by Trader Joe's.

## *Paid Family Leave Insurance Program*

If you take a leave of absence to care for a family member, you may be eligible for paid benefits if you work in a state that provides such a plan as described below.

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|                   |                                                                                                  |
|-------------------|--------------------------------------------------------------------------------------------------|
| <b>California</b> | You may be entitled to receive Paid Family Leave (PFL) benefits from the State of California to: |
|-------------------|--------------------------------------------------------------------------------------------------|

- Care for a seriously ill child, spouse, parent registered domestic partner, parent-in-law, grandparent, grandchild, or sibling;
- Bond with a new child; or
- Bond with a minor child in connection with an adoption or foster care placement.

The state will provide benefits for up to 6 weeks over a 12-month period.  
This plan is funded through payroll deductions taken from your paycheck.

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|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>New Jersey</b> | If you need to care for a newborn, newly adopted child, or family member with a serious health condition, you may be entitled to Paid Family Leave benefits under the Temporary Disability Benefits Law. If eligible, you will be provided a portion of your earnings for up to 6 weeks in any 12-month period. |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rhode Island</b> | <p>You may be entitled to receive Temporary Caregiver Insurance (TCI) benefits to:</p> <ul style="list-style-type: none"> <li>▪ Care for a seriously ill child, spouse, domestic partner, parent, parent-in-law, or grandparent; or</li> <li>▪ Bond with a newborn child, adopted child, or foster-care child. Bonding claims may be requested only during the first 12 months of parenting.</li> </ul> <p>If eligible, you will be provided a portion of your earnings for up to 4 weeks during a 52-week benefit year period.</p> |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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You may supplement your Paid Family Leave benefits with available Absence Reserve funds provided that your total earnings do not exceed your regular weekly earnings. Certification of the need for the leave may be required. This benefit does not guarantee that your job will be held for you; however, you may qualify for an approved leave of absence. Refer to the Leave of Absence section for more information.

For additional information concerning the Paid Family Leave plan, please contact Human Resources.

### *Unemployment Compensation*

Trader Joe's contributes to the applicable state Unemployment Insurance fund on your behalf. In the event that your employment with Trader Joe's terminates, you may be eligible to receive unemployment benefits. After you have filed a claim to collect this benefit, the state will make a determination regarding your eligibility.

## *Electronic Disclosure*

Trader Joe's Company will post all employment and benefit related documents such as Summary Annual Reports, Summary Plan Descriptions, Summaries of Coverage, COBRA notices, etc. on [www.mytraderjoes.com](http://www.mytraderjoes.com). You may view and print these documents from the store kiosk or from your personal home computer. You may also request to receive these documents by mail without charge by submitting a written request to:

Trader Joe's Company  
Attn: Director of Human Resources  
800 S. Shamrock Ave.  
Monrovia, CA 91016  
Or  
Fax: (626) 599-3833

# Leaves of Absence

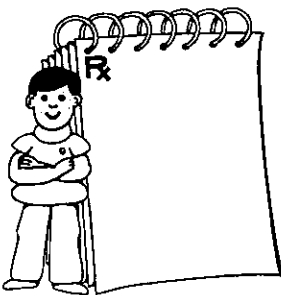
## *General Leave of Absence Guidelines*

To qualify for a Trader Joe's leave of absence, you must have been employed for at least six (6) complete months and have worked at least 500 hours in the 12-month period prior to the leave request, except in certain circumstances described below. If you require a leave of absence, you should notify your Captain as soon as you are aware of the need, or the potential need, for the leave. Your request will be reviewed and granted with respect to Trader Joe's leave policies as well as applicable law.

To the extent permitted by applicable laws, all leaves run concurrently with any other leave to which you are entitled, including the federal Family and Medical Leave Act (FMLA), state-provided leaves, or other Trader Joe's leave programs. A leave of absence, or combination of leaves of absence, may not exceed 120 days in a 12-month period except in special circumstances provided for and described under certain leave policies below.

If you are granted a leave of absence, you will be expected to comply with Trader Joe's policies with respect to the leave. You will also be expected to maintain regular contact with store management for the duration of the leave.

Trader Joe's reserves the right to delay or proceed with any disciplinary action, including termination of employment that was proposed prior to a crew member's request for a leave of absence. This also applies to disciplinary action based on circumstances that come to the company's attention during the leave. Actions that are delayed during the leave may be taken upon your return to active duty.



### *Medical Certification*

When requesting a leave of absence related to a medical condition, you will be required to provide medical certification from your physician. The certification should include the date the disability is to begin, the probable duration, and a statement that the disability renders you unable to perform your job duties. The certification must be provided as soon as practicable – preferably within one (1) or two (2) days of learning of the need for the leave and should include an estimated date of return. If your return date changes during your disability, it is your responsibility to inform your Captain of the revised date of

return. An additional certificate completed by your physician specifying the change in dates or physical limitations must also be submitted.

### ***Absence Reserve During a Leave of Absence***

You may use any available Absence Reserve during your leave. Payment of Absence Reserve may be coordinated with workers' compensation, Short Term Disability or Paid Family leave, if applicable, provided your combined earnings are not greater than your average weekly earnings. Please refer to the Absence Reserve section of this handbook for specific details.

### ***Impact on Benefits***

The impact on benefits will depend on the type of leave of absence and the length of the leave. Generally, the following provisions will apply:

#### ***Impact on Health Insurance***

If you are covered by our health insurance and are on an authorized leave of absence, other than a Personal Leave or extended ADA medical leave, your benefits will be continued while you are on leave for a maximum of 120 days in a 52-week period or until your leave has expired, whichever comes first. During this time, deductions will be taken out of any paycheck you receive, including the payment of Absence Reserve. If you do not receive a paycheck during your leave, Trader Joe's will pay the entire premium, subject to availability of funds.

If your benefits are canceled and you return to work from a leave of absence within the same stability period, your benefits will be reinstated for the remainder of the Stability period. If you return to work in a new Stability period, your eligibility will be reviewed based on the corresponding Measurement period.

To be considered on a leave of absence for purposes of determining eligibility for a credit of leave of absence hours in a measurement period, you must be on leave for at least seven (7) days.

#### ***Impact on Retirement Plan***

If you are on a Medical, Family, Pregnancy Disability, and/or Military Leaves of Absence, we will evaluate your total hours worked at the end of the plan year to see if your eligible leave caused you to fall below the required 501 hours to prevent a break in service. Additional projected hours may be added to your worked hours up to a maximum of 501. The additional hours will not qualify you for a company contribution or count towards vesting.



If you have already worked more than 501 hours in that calendar year, you will not have a break in service and no projected hours will need to be added. The calculation of this projection remains solely within the discretion of Trader Joe's.

### *Returning from Leave*

You are required to keep the company informed of the status of your leave. When you are able to return to work, we ask that you provide the company with sufficient notice to enable the company to transition staff as needed. You will be required to submit certification from your physician stating you are released to return to work.

Reasonable efforts will be made to return you to work as soon as possible. Trader Joe's may identify a transitional position that fits within your job restrictions. In this case, you will be expected to return to this position in accordance with the Trader Joe's Return-to-Work (RTW) Program. Detailed information concerning the RTW Program can be found later in this section.

If you submit certification that is insufficient, you will be given seven (7) days to provide the necessary clarification from your doctor. Your Family/Medical Leave may be denied if we do not receive this information in a timely manner. Failure to return from your leave at the expected return date will be considered a voluntary resignation of your employment. Further, in the event that the business must downsize operations during your leave of absence, you will be considered in the selection process as if you were an active crew member.

If you return within the applicable allowed time noted above, the company will make every effort to return you to your former position. In the event that this is not possible, because your absence created a hardship on the business, you will be offered whatever position is open at Trader Joe's for which you are qualified, if any.

### *Family/Medical Leave*



All crew members who have been employed for at least 12 complete months, worked at least 1,250 hours in the 12-month period prior to the leave request, and have not exhausted the 12 weeks of leave in the previous 12-month period may be eligible for a leave under the federal Family and Medical Leave Act (FMLA). However, in certain states, eligibility requirements, reasons for leave, and leave duration may differ (refer to the "Other Leaves" section for details). Trader Joe's will act within the legal parameters provided by these states.

### *Duration*

If eligible, you are entitled to take up to 12 workweeks in a 12-month period. The 12-month period is measured backward from the date a crew member uses any Family/Medical Leave.

### *Impact on Health Insurance*

You may continue your health insurance for up to 12 weeks.

### *Reason for Leave*

- To care for a newborn child;
- To care for a newly placed adopted or foster child in your home;
- To care for your child, spouse, qualified same-sex domestic partner, or parent who has a serious health condition; or
- For treatment or incapacity (inability to work) due to your own serious health condition.

Leave taken for any of these reasons will be counted as Family/Medical leave. To the extent permitted by law, Family/Medical Leave shall run concurrently with any other leave to which you are entitled. In some circumstances, Family/Medical Leave may be taken intermittently or on a reduced schedule.

Leave taken for the birth, adoption, or foster care placement of a child must be completed within one (1) year of the birth, adoption, or placement.

### *Leave Notice*

Notice must be provided as soon as practicable — preferably within one (1) or two (2) days of learning of the need for the leave. Shortly after you request leave, the company will also provide you with notice that the leave will count under FMLA or any other applicable state leave. You will be provided with a notice of your rights/requirements.

### *Medical Certification*

If the leave is due to your own illness or to care for an ill family member, you must provide certification from the health care provider.

If the leave is needed for your own serious health condition, the certification must contain the following information:

- a) Date of commencement of the serious health condition;
- b) Probable duration of the condition; and
- c) That you are unable to perform the functions of your position because of the serious health condition or must be absent from work for medical treatment.

If the leave is needed to care for an ill family member, the certification must contain the following information:

- a) Date of commencement of the serious health condition;
- b) Probable duration of the condition;
- c) Estimated amount of time the crew member will need to provide care; and
- d) That the serious health condition warrants the participation of a family member to provide care.

Failure to provide a timely medical certification may result in denial of a Family/Medical Leave.

If the leave is due to your own illness, the company may require you to obtain a second medical certification from a health care provider selected by Trader Joe's. In the event the first and second opinions differ, the company may require you to obtain a third medical certification from a mutually agreed upon health care provider. The third opinion will be binding on the crew member and the company. The second and third medical opinions, if required by the company, will be at the company's expense.

In addition, if your leave is due to your own serious health condition, the company will require certification by your health care provider that you are fit to return to your position before you will be restored to your job.

### *Qualifying Exigency Leave*

Crew members who meet the FMLA qualifications are eligible for Qualifying Exigency (QE) Leave. QE Leave is available to crew members whose spouse, son, daughter, or parent belongs to the National Guard, Reserves, or Armed Forces who are on, or are being called to, active duty.

If you are eligible for Qualifying Exigency Leave, you are entitled to take up to 12 workweeks in a 12-month period. The 12-month period is measured backwards from the date a crew member uses any Family/Medical Leave. Some examples of QE Leaves are as follows:

- Military events and related activities;
- Certain childcare and related activities;
- Making or updating financial and legal arrangements;
- Issues arising from a covered military member's short-notice deployment;
- Attending counseling provided by someone other than a health care provider for self, covered military member, or the child of the covered military member;
- Spending time with a covered military member who is on rest and recuperation leave during deployment;
- Attending to certain post-deployment activities; or
- Any other event that the crew member and employer agree is a qualifying exigency.

Leave taken for any of these reasons will be counted as Qualifying Exigency Leave. To the extent permitted by law, QE Leave will run concurrently with any other leave you are entitled to and may be taken intermittently or on a reduced schedule.

You will need to submit proper documentation certifying this leave as soon as reasonable and practicable. In addition to providing the necessary certification, if the qualifying exigency involves a meeting with a third party, we may also require verification of the schedule and purpose of the meeting.

If you have any questions regarding Qualifying Exigency Leave, contact Human Resources.

### *Military Caregiver Leave*

Crew members who qualify for Family/Medical Leave are eligible for Military Caregiver Leave and may request time off to care for a spouse, son, daughter, parent, or the next of kin\* of a covered service member\*\*. Eligible crew members are entitled to take up to 26 workweeks in a 12-month period, alone or in combination with any other Family/Medical Leave. This leave allows time to care for a covered service member who is recovering from a serious illness or injury sustained in the line of duty, is on active duty, and is medically unfit to perform military duties.

Military Caregiver Leave can be taken intermittently and is provided for each covered service member, per injury or illness. The maximum amount of leave allowed under Military Caregiver Leave is 26 workweeks in a 12-month period that begins on the first day of Military Caregiver Leave.

Contact Human Resources for additional information regarding Military Caregiver Leave.

- \* "Next of kin" is defined as the nearest blood relative of the service member other than the service member's spouse, parent, son, or daughter. Trader Joe's may require confirmation of this relationship.

\*\* A "covered service member" is a seriously ill or injured current member of the Armed Forces, the National Guard, or Reserves and must be undergoing medical treatment, recuperation, therapy, or is in outpatient status or on the temporary disability retired list.

### *Reinstatement*

With few exceptions, crew members who return from an approved leave will be restored to the same or equivalent position. If, however, due to business reasons, the same or equivalent position ceased to exist during your leave, and, had you not taken the leave, you would not otherwise have been employed at the time reinstatement is requested, Trader Joe's may not be required to reinstate you. If you fail to return to work at the end of the approved leave period, you will be considered to have voluntarily resigned.

Additional information regarding Family/Medical leaves is posted in a conspicuous location in your store. Family/Medical leaves will be handled as required by federal law and state laws and crew members who have any questions regarding Family/Medical leaves should contact Human Resources.

### *Work-Related Medical Leave*



In the event that you become injured or ill as a result of your duties at Trader Joe's, you must report your injury or illness, no matter how minor, to your supervisor immediately. You will be placed on a leave as required by a physician's written recommendation. To the extent possible and as required by applicable laws, you will be returned to your former position or a comparable position when your physician certifies that you may return to work. Should your doctor indicate that you are unable to work your normal job, you may be placed on modified duty in accordance with Trader Joe's Return-to-Work Program.

To the extent permitted by applicable laws, a work-related medical leave runs concurrent with any other leave to which you are entitled.

Your health insurance will be continued for up to 120 days in a 52-week period during your work-related medical leave of absence. After 120 days, Trader Joe's will no longer pay for your portion of the premium for these benefits. If you submit your payments, you will be able to continue your insurance with Trader Joe's for a total of 12 months. At the end of the one-year period, you will no longer be eligible to remain on the Trader Joe's plan. You will be given the opportunity to continue your health insurance through COBRA, which was described in the Health Insurance section.

If your benefits are canceled and you return to work from a leave of absence within the same Stability period, your benefits will be reinstated for the remainder of the Stability period. If you

return to work in a new Stability period, your eligibility will be reviewed based on the corresponding Measurement period

Additional information about work-related leave provisions is available from Human Resources.

### *Trader Joe's Medical Leave*

If you do not qualify for FMLA, or similar state-provided leaves, and you have been employed for at least six (6) complete months and have worked at least 500 hours in the 12-month period prior to the request, you may request a Trader Joe's Medical Leave for up to 120 days in a rolling 12-month period for your own health condition. To request a medical leave, you must submit medical certification from your physician. The certification should include the date the disability is to begin, the probable duration, and a statement that the disability renders you unable to perform your job duties.

To the extent permitted by applicable laws, a Trader Joe's Medical Leave runs concurrent with any other leave to which you are entitled.

Failure to provide a timely medical certification may result in denial of a medical leave. In addition, the company will require certification by your health care provider that you are fit to return to your position before you will be allowed to return to work.

If you are unable to return to work within 120 days of your medical leave, you will exhaust your leave of absence. You will be considered as having voluntarily resigned from your employment with Trader Joe's due to your inability to return from leave. However, if your condition meets the definition of a disability under the Americans with Disabilities Act (ADA), you may be eligible to apply for an extended leave of absence. To be considered, you must submit the following documentation:

- Certification from your doctor stating that you have a covered disability;
- A description of limitations on your ability to perform your job duties; and
- A proposal of accommodations.

We will review your information and determine whether the accommodation can be provided. This decision will be made at the discretion of the company. You may contact Human Resources for additional information.

## *Return-To-Work Program*

The Trader Joe's Return-To-Work Program is designed to allow a crew member who has an injury or illness with limited, temporary work restrictions to transition back to full duties while recovering from an injury or illness. Participating in this program allows the crew member to be productive while reducing the need to go on a medical leave of absence.

Sometimes a crew member's injury or illness is severe enough that returning to work would be unproductive or would interfere with the healing process. Therefore, with store management's help, a list was developed which compares the physical requirements for both the full and transitional duty positions.

An injured crew member meeting **all the physical requirements** for the transitional-duty position may be able to perform many of his/her regular duties, such as:

- Operating a cash register
- Light restocking of shelves
- Creating merchandise displays
- General store maintenance (upkeep and appearance)

A member of **The Crew or Merchant** may only work transitional duties if he or she meets ALL of the listed physical requirements. Occasionally there are tasks in demo or signage where the physical requirements may be augmented further from those noted above. An injured crew member will be given these tasks only when it does not displace a current crew member and the injured crew member has all the additional skills that these tasks require. Any augmentations of the guidelines above are completely at management's discretion.

In certain circumstances, a **Mate or Captain** may work transitional duties without meeting all of the above physical requirements. Their ability to do so is not guaranteed and Trader Joe's will decide on a case-by-case basis whether the crew member may return to work.

## *Physical Requirements*

| Full Duties                                                                                                                                                                        | Transitional Duties                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Frequent and prolonged standing and walking</li></ul>                                                                                      | <ul style="list-style-type: none"><li>• Frequent and prolonged standing and walking.</li></ul>                                                                                     |
| <ul style="list-style-type: none"><li>• Frequent bending, twisting, squatting, kneeling, reaching, pushing, pulling, and both simple and power grasping with both hands.</li></ul> | <ul style="list-style-type: none"><li>• Frequent bending, twisting, squatting, kneeling, reaching, pushing, pulling, and both simple and power grasping with both hands.</li></ul> |
| <ul style="list-style-type: none"><li>• Frequent repetitive hand movements.</li></ul>                                                                                              | <ul style="list-style-type: none"><li>• Frequent repetitive hand movements for at least 2 continuous hours.</li></ul>                                                              |
| <ul style="list-style-type: none"><li>• Frequent lifting of weights up to 25 pounds.</li></ul>                                                                                     | <ul style="list-style-type: none"><li>• Frequent lifting of weights up to 10 pounds.</li></ul>                                                                                     |
| <ul style="list-style-type: none"><li>• Occasional lifting and/or carrying of weights up to 50 pounds.</li></ul>                                                                   | <ul style="list-style-type: none"><li>• Occasional lifting and/or carrying of weights up to 20 pounds.</li></ul>                                                                   |
|                                                                                                                                                                                    | <ul style="list-style-type: none"><li>• The ability to work at least a 4-hour shift.</li></ul>                                                                                     |

The foregoing is not intended to diminish any rights under the Americans with Disabilities Act or other applicable state or federal law. Please contact Human Resources should you have any questions regarding potential accommodations for a qualifying disability.

## *Leaves for Civic Responsibilities*

### *Military Leave*

Crew members who are required to serve in any branch of the Armed Forces of the United States, are engaged in state military service, or are part of the U.S. Public Health Service, will be granted all leave, reinstatement, and any other rights consistent with and as required by the federal Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law. Please contact Human Resources for more information.



Your health insurance will be continued for up to 120 days during your Military Leave of Absence. You will be given the opportunity to continue your health insurance through COBRA, which was described in the Health Insurance section.

If your benefits are canceled and you return to work from a leave of absence within the same Stability period, your benefits will be reinstated for the remainder of the Stability period. If you return to work in a new Stability period, your eligibility will be reviewed based on the corresponding Measurement period.

## *Jury Duty*

If you need to serve on jury duty, you will be granted an unpaid Personal Leave, unless you work in a state with required jury service benefits. Please contact your Captain or Human Resources for details about jury duty pay in your state. You may use available Absence Reserve during a jury duty leave, not to exceed your regularly scheduled hours.

## *Family Military Leave*

If you have a spouse who is a member of the Armed Forces of the United States, National Guard, or Reserves, you may be eligible to take up to 10 days of unpaid leave during their leave from deployment. In order to qualify you must work a minimum average of 20 hours per week. We ask that you notify us within two (2) business days of learning of your spouse's leave.

## *Other Leaves*

Certain states provide additional leave benefits by law. These leaves run concurrent with any other leave offered by Trader Joe's or federal law unless prohibited by law. Should you require a leave provided to you by the state in which you work, you should contact Human Resources for additional information about the requirements of the particular leave.

Under certain circumstances, you may be entitled to take time off to address matters that are regulated by law. You may be placed on a Personal Leave, where necessary, to perform duty as a volunteer firefighter, emergency responder, or disaster service volunteer, to serve as a juror or witness, to participate in judicial proceedings if you or one of your immediate family members is a victim of a serious crime, to donate blood, organs, or bone marrow, to seek relief to ensure the health, safety or welfare of yourself or child if you are a victim of a domestic violence or sexual assault, to attend your child's school activities, to attend an adult literacy education program, or to take time off for family military leave or due to the passing of an immediate family member. Time off for such reasons will ordinarily be unpaid except where the law requires that it be compensated. You are expected to give Trader Joe's advance notice when feasible and you may be required to provide certification for the leave to be excused.

## *Personal Leave*

You may request to be taken off the schedule for up to three (3) full weeks for personal reasons with your Captain's approval. In this case, you will not be on a leave of absence status. If you want to be taken off the schedule for more than three (3) weeks for personal reasons, it is considered a Personal Leave of Absence, subject to approval. To qualify for a Trader Joe's Personal Leave of Absence, you must have been employed for at least six (6) complete months and have worked at least 500 hours in the 12-month period prior to the leave. Your Captain and Regional Vice President must approve the leave prior to its commencement.



A Personal Leave, combined with any other leave of absence, may not be longer than 120 days cumulatively during any 12-month period. In addition, you will be required to pay the entire portion of your health insurance premium prior to the commencement of your leave. More information is available from Human Resources. If you do not pay your premium in full, your health insurance coverage will be canceled at the end of the month in which your leave began.

In accordance with company policy, a Personal Leave will not be granted for purposes of working at another job or transferring between stores. You may not accept other employment while on a Personal Leave. Should you accept other employment during your leave, you will be considered to have voluntarily resigned your position with Trader Joe's.

More information is available from Human Resources.

## Impact on Benefits

The following table outlines how various leaves of absence affect your benefits status. Keep in mind that you must have received authorization from your Captain and Regional for a Personal Leave of Absence. For all other leaves, you must regularly provide your Captain with updated documentation in order to remain on an approved leave of absence.

|                  |                                                                                                                                                                                                                                                                                                                              |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health Insurance | The status of your health insurance is dependent upon the type of leave you are on:                                                                                                                                                                                                                                          |
|                  | <b>Personal Leave</b> – You may continue your health insurance for up to 120 days by paying for the full premium for each pay period that you will be out. If you do not pay the premium in full, your group coverage will be canceled.                                                                                      |
|                  | <b>Family Leave</b> – You may continue your health insurance for up to 12 weeks. If you do not return to work within 12 weeks, you will be sent COBRA continuation information.                                                                                                                                              |
|                  | <b>Medical and Military</b> – You may continue your health insurance for up to 120 days. If you are out more than 120 days, you will be sent COBRA continuation information.                                                                                                                                                 |
|                  | <b>Work-related Leave</b> – You may continue your health insurance for up to 1 year. After 120 days, you must resume paying the crew member portion of your premium. If you fail to pay the crew member portion of your premium, your coverage will be canceled.                                                             |
|                  | <b>Military Caregiver Leave</b> – You may continue your health insurance for up to 26 weeks.                                                                                                                                                                                                                                 |
|                  | If your benefits are canceled and you return to work from a leave of absence within the same stability period, your benefits will be reinstated for the remainder of the stability period. If you return to work in a new stability period, your eligibility will be reviewed based on the corresponding measurement period. |

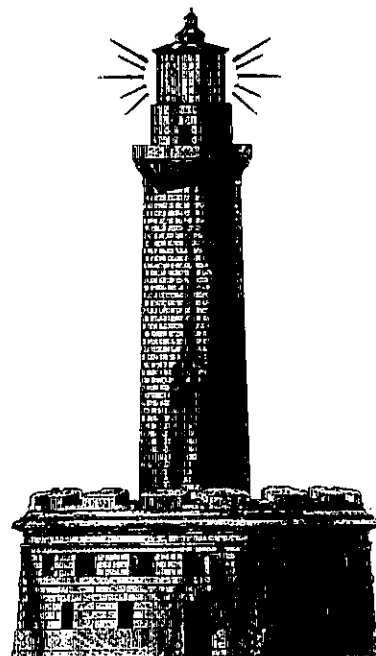
For additional information concerning your benefits, go to [www.mytraderjoes.com](http://www.mytraderjoes.com) or contact Human Resources.

# Ending Employment with Trader Joe's

Trader Joe's is an at-will employer and, therefore, either you or Trader Joe's may end the employment relationship at any time, with or without notice or cause. Should you decide to end your employment relationship, as a courtesy we ask that you give the company at least two (2) weeks' written notice. Prior to your last day of employment, you will be expected to return all company property previously issued or supplied to you. You will be paid your final wages, including any unused Absence Reserve, in accordance with state law.

Rev. 4/2015

# TRADER JOE'S COMPANY VALUES GUIDE



## What is a "Values Guide?"

At Trader Joe's we have identified seven key "Values" that will guide our Company and all Crew Members during the coming years. These Values were introduced at the Annual Leaders' Meetings for 2001. But the Values are not new. We have operated the Company with an appreciation and application of these Values for some time. However, as we grow it is very important to identify these Values and communicate them to all Crew Members. This paper describes the Values and considers their importance for all of us at Trader Joe's.

The Values Guide represents the few relentless themes for our business. At Trader Joe's...

- We live by these Values,
- We make decisions based on these Values,
- We prioritize and focus our behavior based on these Values and
- We evaluate our individual performance based upon these Values.

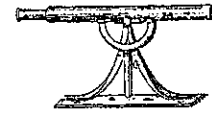
It is vitally important that everyone in the Company understands and demonstrates these Values.

### Value #1- Integrity

At Trader Joe's we demand that all Crew Members behave with unyielding Integrity. The definition of Integrity is simple...it means that you treat others as you would like to be treated. Our Company is very unusual because of this important and key Value. We are committed to treating all customers, vendors or suppliers and each other with Integrity.

Our focus on Integrity as the first Value is on purpose. Simply put, those that do not have Integrity can not be part of Trader Joe's.

## Value #2 – We are a product driven Company



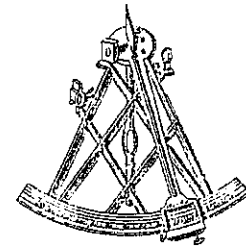
At Trader Joe's we have elected to differentiate our business from other food retailers based on our products, the customer experience and the overall value that we provide by having great products at outstanding prices. Foremost of these differentiating factors, however, is our product. Our Buying/Merchandising groups search the World over for great products that are screened for acceptance through the rigorous parameters of our unique "Buying Philosophy." As we often say in our promotional materials, "We are Traders on the Culinary Seas!" This Philosophy is the cornerstone of our product focus and guides the Buyers in their challenge to find the amazing new products that our customers love.

## Value #3 - At Trader Joe's we create WOW customer experience every day

In today's environment, retailing is all about customer experiences. We are committed to make every customer shopping experience rewarding, eventful and fun. We recognize that there are two levels of the customer experience that we must approach carefully.

First, are the "internal" experiences that each customer finds. These represent the way a customer "feels" about the store experience, or how they feel about themselves while shopping in our stores. Customers ask themselves...

- Do they really care that I am shopping here today?
- Do they really care that I am safe in their store or parking lot?
- Do they really respect me as a person?
- Do they really trust me?



In short, the "internal" experiences represent the feelings a customer gets about our delight that they are shopping with us and our care for them as customers and people. Customers evaluate this "internal" experience every time they shop with us. We are committed to treating customers as if they were honored guests in our home. By doing so we will set us apart from other grocery retailers and set the stage for the customer's participation in the "external experience" of shopping at Trader Joe's.

The "external" customer experience represents the visual or behavioral experiences a customer may have while shopping. These interactions may come from great signage that passes along information, a wonderful demo program, engaging interaction with Crew Members or other store features that entertain or inform customers. Again, our focus and careful execution of all these external customer experiences...that must include participation by the customer...help differentiate our stores and are vital for our success.

#### **Value #4 - No Bureaucracy**

At Trader Joe's we simply have no room for bureaucracy. We operate a single, very focused and relatively simple retail format. We are successful in what we do and we have no intention of branching out into other formats or side businesses. We demand that all Crew Members support our stores to assist in the delivery of WOW products and customer experiences to our customers. We have as few layers of management as possible and everyone is evaluated on their contribution to the Company's mission, not to group or departmental matters.

#### **Value #5 - We are a national chain of neighborhood grocery stores**

We are committed to the controlled growth of our stores to all markets that meet our customer demographic profile within the 48 contiguous states. Growth is vitally important for our customers, our suppliers and our Crew Members. Growth creates opportunity for everyone associated – either as a Crew Member or supplier- with Trader Joe's. Similarly, by carefully growing in solid marketplaces we are able to capitalize on our increasing size, drive transactional costs down and pass along value to our customers. Growth also creates a more stable and secure Company for all of us.

But our growth is also fueled by our commitment to have all our stores be operated as true "neighborhood" stores. We want the customer's experience to be personal and intimate, like you would expect to find at a friendly, neighborhood store. Each store is part of their community and is operated such that the customer thinks of the store as "their Trader Joe's." This neighborhood store focus is supported at Trader Joe's by having store management that truly makes all major store operational decisions. At Trader Joe's the Captain really does run the ship!

#### **Value #6 – KAIZEN!**

At Trader Joe's, Kaizen! is a way of life. Kaizen behavior simply means that every Crew Member at Trader Joe's is focused on achieving personal goals that contribute to the increasing success of the business. Every Crew Member strives to have continual, marginal improvement every day.

We recognize that the best way to support a "Kaizen" environment is to listen to those Crew Members that have the daily contact and communication with customers. We are committed to listening to all Crew Members and capitalizing on their good ideas.

Similarly, at Trader Joe's we are aware of our competition, but we recognize that if we stay true to our customers and our Values we will be successful. We do not react to competition. Rather, we stay true to our Values and focused on our delivery of WOW to our customers as we lead grocery retailing in a unique and compelling way.

## Value #7- The store is our Brand

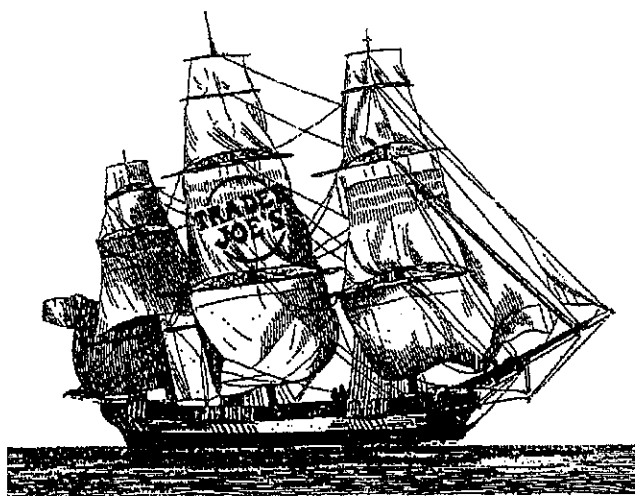
At Trader Joe's we recognize that our store is the personification of our Brand. The brand represents far more than a label or packaging...it is the customer's emotional and personal response to our stores. Our brand is a promise between Trader Joe's and each customer that we will diligently act on their behalf to satisfy their dreams related to our products and their experience. The key is consistency. Every store, every day and every Crew Member reflects the Trader Joe's brand. We must earn the customers' delight in our brand every time they shop with us.

## CONCLUSION

Over the past 43 years Trader Joe's has enjoyed phenomenal success because of our wonderful relationship with our customers. No other grocery retailer has the legion of WOW'ed customers that we enjoy. By a continual focus on this Values Guide our past success will simply be the beginning of an even brighter and more rewarding future for our customers and all of us at Trader Joe's.

*Dan Bane*

Dan Bane  
September, 2001







## *A Message to All Trader Joe's Crew Members*

In the eyes of our customers, you are Trader Joe's. Therefore, it is extremely important that each of you understand as much as possible about your company. Trader Joe's is a unique company. You, by representing Trader Joe's, are a vital part of our unique appeal and ability to differentiate ourselves from our competitors. It is very important for you to understand the things that distinguish us from all other food retailers.

### *The things that make us different:*

Let me start out by telling you the things that we *don't* have or the things that we *don't* do:

- Have cold, mechanical crew members – We want you to smile and be friendly with our customers.
- Operate full line stores – We are in the specialty food business.
- Have standardized stores – Each store is merchandised uniquely.
- Have planograms – These are standardized layouts of aisles and merchandise that chains use to make each store a cookie cutter, dull operation. We want our stores to be exciting and appealing.
- Have big stores – Big stores cost too much.
- Open 24 hours a day – That's a waste of energy.
- Franchise – We want to have complete control over the quality of our people, products, prices, and level of personalized service.
- Guarantee consistency of product offer – We search the world for unique products. Many times they are available in limited quantities only. When they are sold out, we can't replace them.
- Engage in cooperative vendor advertising – This means that we won't take money from our suppliers to advertise their products. We would rather get a lower cost, so that we can pass the savings on to our customers at lower prices.
- Have slotting allowances – This is the blackmail that vendors pay to have their products on supermarkets' shelves. Again, we would rather get the right product at the lowest possible cost.
- Advertise on television – It's too expensive.
- Use an advertising agency – We write the *Fearless Flyer* and radio spots ourselves.
- Use a public relations firm – They are a waste of money. If you give customers great products at great prices, why do you need one?
- Appeal to broad consumer markets – Our customers are unique.
- In general, offer national brands – We appeal to very special customers.

- Be like a convenience store – We are in no way a 7-11 or an AM-PM market.
- Carry anything unless we can sell it at an exceptional price – Enough said.
- Have loss leaders – That means that you have to charge more on other products, and that's not fair to our customers.
- Have a huge, fancy corporate office – That doesn't result in lower prices for the customer. We don't have any private offices. My desk is in a conference room that can seat a total of six people.
- Hire staff people – We do our own work and we work hard.
- Sit on committees – They are a waste of time, and we are action oriented.
- Have secretaries – We answer our own phones. We're not afraid to talk to customers.
- Borrow money – We work for our customers – not bankers.

### ***What do we do?***

The mission of Trader Joe's is to give our customers the best food and beverage values that they can find anywhere and to provide them with the information required for informed buying decisions.

We provide these with a dedication to the highest quality of customer satisfaction delivered with a sense of warmth, friendliness, fun, individual pride and company spirit.

We set trends. We lead our customers rather than following them.

We view ourselves as the purchasing agent of food and beverages for intelligent, educated, inquisitive individuals.

To serve our customers, we run a narrowly focused business concentrating on three things:

- 1. Intensive buying – Searching out unique products at rock bottom prices.*
- 2. Providing information about our products.*
- 3. Making our customers' shopping experience fun and adventurous.*

### ***1. Intensive buying.***

I believe that our approach to buying at Trader Joe's is unique. I refer to it as intensive buying.

First, it means traveling. In any given year our buyers are traveling to England, Denmark, Sweden, Belgium, Germany, France, Italy, Spain, Argentina, Chile, Australia, New Zealand, Japan, Indonesia, and India. You can't understand what is happening in the world unless you travel.

Second, intensive buying means quick decisions. We don't take more than 24 hours to make a buying decision, even if it is over a \$1 million purchase. We don't have buying committees. We move quickly to beat our competitors.

Third, intensive buying means putting your money where your mouth is. Each week we taste over one hundred new products. We don't buy anything unless it passes our tasting panel. Ninety percent of the products fail our high standards.

Fourth, we never ask the price of anything before we have tasted it. If we like something, we establish a retail price on it that we think will produce an excellent value for our customers. Only then do we ask the cost of the product. If the cost is too high and we can't get it for less, we won't buy it. That's the real meaning of retailing.

Fifth, intensive buying means a willingness to take risks. You can't be in the fashion food and spirits business unless you are willing to take risks. Do we make mistakes? Of course we do. When a business stops taking risks, it's all over for them.

In summary, we view ourselves as the purchasing agent of first quality, value priced food for intelligent, educated, inquisitive individuals.

We view new, value added product development as a part of intensive buying. We have developed thousands of private label products. This is time-consuming and expensive, but we think that it is worth it. Let me give you a few examples of value added products:

- Granola – A special mix that qualifies as no fat added.
- Vitamins with no artificial colors, flavors, wheat or sugar.
- Latest harvest nuts and dried fruit.
- Tortillas with no lard.



## ***2. Providing Information to our Customers.***

Next, let's talk about telling the product's story in our advertising.

We believe that there is a segment of the population who wants to make their own decisions to buy based on information. These are intelligent customers. Notice, I didn't say consumers. We never use that word at Trader Joe's. A customer is an individual. A consumer crams down garbage.

We are an informative retailer. Repeat, we are an informative retailer. There aren't many of us today. The best ones are probably in the catalog business – like LL Bean. We are the retailers who truly make the effort to search out new products, to develop new, value added products, and to take the time to tell the product's story.

In our advertising we don't take ourselves too seriously, and we like to have fun. We use two media:

1. The *Fearless Flyer*, which is best described as a cross between *Consumer Reports* and *Mad* magazine. We write and edit it in house. It appears three time a year on the West Coast and five or more on the East Coast. We send out millions of copies each time. It is a tough labor of love to write it. It usually contains stories on about 150 products in 24 pages. A band of humorous elves create the cartoons. The process is murder!

2. We use radio spots on very selective stations – news, talk, classical, jazz, and others. Our stories probably tell customers more than they ever wanted to know about a product. We do a lot of research to make sure that they are accurate. If we don't, our intelligent customers love to put it to us. Believe it or not, most of them read all 24 pages of the *Fearless Flyer*. And God help us if we make an error in our French grammar.

In addition to the *Fearless Flyer* and radio spots, we strongly believe that knowledgeable crew members are essential for an informative retailer. Each of our stores has a special expense account to allow our people to sample our products, and we encourage you to try everything. We want to have people who can help customers with their questions about products. How can you recommend something to a customer unless you have tried it? Each week we send out bulletins on new products. We also offer a variety of brochures and lists. Check out your store's information center.

### ***3. A Completely Satisfying Shopping Experience for our Customers.***

From extensive surveys we know a lot about our customers and why they shop at Trader Joe's. They are not necessarily affluent or rich, but they are generally well educated. In fact, 80% of our customers either have attended college, graduated from college, or have post-graduate degrees. Remember this when you speak with them. When the TV networks bemoan the fact that their viewership is declining, they're talking about Trader Joe's customers. Our target customer is intelligent and well-educated. These are the common denominators.

Our customers are people who are interested in new things and new ideas. They are an inquisitive lot. They read *The New Yorker*, not *People* magazine. They travel. We have to keep them interested and challenged. To do this we have to run a fashion food business.

On the other hand, our customers understand real value. They are smart shoppers.

Finally, our customers are generally health conscious. They are knowledgeable about fats, cholesterol, sugar and salt. They understand vitamins and nutritional supplements. They want to know how plants were grown and animals were raised.

To sum up our customers: They are intelligent, educated, traveled, value oriented and health conscious.

#### ***Why do they shop at Trader Joe's?***

- Our people are warm and friendly.
- It's fun and an adventure.
- They find unexpected products.
- They experience cheap thrills.
- Our people are helpful and knowledgeable.
- They know that we have tested each product to ensure quality and satisfaction.
- They trust us.

When our customers walk through the door they have high expectations. You're going to have to be a special person to make sure that when every customer leaves the store they think to themselves, "That was fun, and I got a good deal." When that happens no one can touch us.

I hope that after reading this you have a real feeling for the things that make Trader Joe's unique. One last thing. Always remember to smile and to say "Thank you" to every customer. The customer is the only reason that you and I get a paycheck.

Have fun,



Dan Bane  
Chairman and CEO

# TRADER JOE'S

## *The Background of Trader Joe's*

When you're a new hire in a company, everything seems fixed and set in its ways – like it's been there for a hundred years.

We have been in business for more than 45 years – but we are certainly not set in our ways. We must continually modify the way we do business, because our customers, suppliers, crew members and the laws are continually changing.

The purpose of this memo is to give a brief history of how we have changed over the years. It may give you some ideas about how to help us change in the future.

## *How We Started*

We started in 1958 in Southern California as a convenience store. We called ourselves Pronto Markets. By 1967 we had 17 stores. However, by then we felt that there was no way that we could be a "Unique Grocery Store" by being in the convenience business.

## *Enter Trader Joe's*

In 1967 we designed a new kind of store: Trader Joe's. Trader Joe's was designed to do several things:

1. *It would free us from the convenience store image. We would replace it with the romantic, travel & leisure image of the South Seas and of international living in general. Crew members would wear Hawaiian shirts; exotic music would be played – there would be a sense of "fun" in the grocery business.*
2. *It would be a very strong beverage outlet, carrying many items from around the world.*
3. *It would also be a strong food outlet, especially in foods which were not readily available such as real sourdough bread, whole coffee beans, etc.*
4. *It would appeal to educated people of all income levels.*

## *Building the Trader Joe's*

We opened the first Trader Joe's in Pasadena in late 1967. As with any new program, some things worked and some things didn't. For example, we had planned to be a strong discounter of hosiery and phonograph records. These programs bombed. On the other hand, to our surprise, our program of carrying wines from small, obscure California wineries was tremendously successful.

## *Modifying the Merchandising*

Again, I want to stress that we are continually trying to improve our merchandising, responding to changes in the economy.

In January 1970, responding to consumer trends, we introduced the Insider Report on Food and Wine. This was a tremendous success, winning national acclaim, and it is our most important single promotional tool. It was not part of the original Trader Joe's concept – it was considerably more serious. Our concept of carrying the greatest values in all fields of foods and beverages, however, seemed to fit the increasingly educated public. In 1985 we changed the name of the Insider Report to The Fearless Flyer.

In 1971 we responded to the health food movement. They said it couldn't be done – marrying an alcoholic beverage operation to a food store – but today the fastest growing part of our business is in food items, most of them under our own private label.

Today food represents 83% of our sales. We have become an outstanding retailer of cheese, frozen foods, fresh products, nuts, dried fruit, and unique grocery products.

We have proven that it is possible to be an outstanding retailer, without trying to beat the big supermarkets at their own games. As long as we are outstanding in our game, we should succeed.



## ***Expansion Outside Southern California***

Until 1988 all Trader Joe's stores were in Southern California. In the fall of 1988 we opened two stores in Northern California, at Concord and San Rafael. They were a success. It proved to us that our concept was geographically transferable. By the end of 1992, we had grown to 45 stores, but all of them were still in California.

In 1993 we opened our first stores outside California in the Phoenix, Arizona area. By the end of 1994 we had grown to 63 stores. In 1995 we opened our first stores in Oregon, Nevada and Washington, and we grew to 73 stores.

In 1996 we made the big geographic leap to the East Coast, opening stores in Massachusetts and New York. By the end of the year we had 91 stores. By the end of 1997, we had grown to 110 stores in nine states, and 132 stores in eleven states by the end of 1999. In 2000 we opened in the Midwest.

In 2014, we have over 420 stores in 39 states. We are well on our way to becoming a truly National Retailer.

## ***Our People***

It takes smart, competent people to run our stores which, though small, are very complicated. From the beginning, in 1958, our basic personnel policy has been to pay whatever is necessary to attract and keep the high caliber of people that we need. Promotion is based on merit, not seniority, and you are kept informed of how you are doing by a performance evaluation every six months.

We are expanding rapidly, and we need talented people to manage our stores. Over 60% of our people are promoted from within. In 2013, we promoted over 400 people. If you have the skills, energy, and drive that we need, you've got a strong future with Trader Joe's.

Should you decide, however, that the grocery business is not for you – don't stick around just because the pay is high. No amount of money is worth working at a job you do not enjoy. Getting pleasure from your work is the real compensation you get. Don't cheat yourself – if you want to try another kind of work, go – and go with our best wishes.

## ***Our Organization***

We try to keep our organization simple, with as few "layers" as possible. You report to Mates (Assistant Managers) of your store. They report to the Captain. The Captain reports to a Regional Vice President, who reports to a Senior Vice President, who in turn reports to me.

If you have any questions of a business nature – your schedule, transfers, promotions, etc. – follow the chain of command, until you get your question answered. We will do everything within our ability to help you.

## ***The Future***

Regardless of how the business cycle goes up and down, one thing is certain: our business is getting more complex every year. It takes smarter, better motivated people to run our stores now than it did five years ago. Increasingly, grocers are becoming professionals, with as great a need to keep their knowledge fresh as lawyers or engineers. Our Fearless Flyer reflects one effort on our part to try to master our business. Study it, and anything else you can find that will enlarge your knowledge of what you sell.

Never has the food business been more exciting or more important. It is possible for a relatively small company like ours to exert an influence far beyond its size. To stand up to the supermarkets' muscles, however, takes brains, dedication and hard work. If that sounds good to you, we sure need you.

Welcome aboard,



Dan Bane  
Chairman & CEO

# TRADER JOE'S

## Customer Experience: A Trader Joe's Love Story

We admit it. We're completely smitten. We love our customers. Every day we prove our devotion through our interactions, our appearance and through our commitment to deliver an amazing shopping experience that's rewarding, eventful and fun. We're not shy – we shout it from the rooftops, as evidenced by Core Value #3: At Trader Joe's, we create WOW customer experience every day.



**The Inner Ear:** We encourage our Crew Members to hear voices in their head. Voices saying, "What do my customers want? How can I create a compelling environment where my customers are sure to consistently have a shopping adventure? How can I share my enthusiasm for Trader Joe's with them?" The point is, what's your role in keeping your customers happy, engaged and well fed?

Let's face it, customers sign our paychecks. Without them, we'd be lonely, bored and lovesick. Yes, we can build a beautifully elaborate cruise ship out of cases of pineapple, but if no one comes to buy any... we're sunk. Amazing customer service is a skill that can be mastered.

Unfortunately, I'm sure you can come up with tons of examples of poor customer service elsewhere. What effect did those experiences have on you?

Well, we do things a little differently here. Customers are our welcome guests. We appreciate their time, their interests and their appetites. If you find yourself thinking that this would be a great job except for all those pesky customers, then our question to you is, "Where's the love?" and further, maybe you're in the wrong line of work. Meeting and exceeding customer expectations is critical here!

There are four key areas for you to focus on providing a WOW Customer Experience. Let's get specific. (Warning: theater references up ahead)

### Sensory – Setting the Stage

In order for you to deliver awesome customer service, you need to be really thoughtful about how our customer experiences us. Ask yourself some key questions to assess how Trader Joe's is performing: Is the parking lot clean, swept, and free of carts or dirty and littered with errant shopping carts? Does your entryway say, "Come on in and have a great time?" or do you have overflowing trashcans and un-swept floor mats? Do your displays have eye appeal through bursts of color and beautiful product (abundant flowers, interesting plants, etc.)? Are your displays accented with accurate, WOW, informative signage? You are an integral part in determining how our audience (read: customers) perceives us. Are we getting bravos and air kisses or are we getting rotten tomatoes? Be aware of what your customers see, hear, and smell when shopping with us. But this is only the beginning of the plotline (And they said Trader Joe's was just a stage...).



### Customer Interaction – “The Helm”

Customer interaction is that personal touch where you can really distinguish yourself as a real class act. After all, you are the customer's ticket to having a great shopping experience. Without you, they're just wandering around an empty set with good lighting. Here's how you can act as your store's Helmsperson.

Make your customers feel welcome with a wave, a smile and a friendly nod. Make sure they have access to the information needed to make informed buying decisions. If a customer looks confused, frustrated or giddy with excitement, investigate what the fuss is all about. Maybe you can help or at least join in the excitement. Yes, groceries need to be stacked and trash needs to be emptied, but the star of the show is always the customer. Every Crew Member must view each customer interaction as an opportunity to create and build a special relationship that ensures a shopping experience that's rewarding, eventful and fun.



### The Demo Program – That's Infotainment

The demo table is like the big musical number in our show. Our Mission Statement of Value, Information and Fun really comes alive. Demos are a place of “infotainment” – information and entertainment. Our demo stations are creative, accessible and well maintained. Our demo folks are energetic and dedicated to making customers feel like honored guests. They are informed about our products and philosophies, and know the value of the product(s) they are demoing. Products are chosen because they fit a holiday or theme, appeal to the community or are new or unique in some way. And, of course, products that complement each other are available at the table for purchase.

### Checkout - The Grand Finale (ta da!)

After all the drama of the show: amazing opening numbers, vibrant and witty repartée in the second act and the show stopping demo-rific setup, it's time for the Big Finish. You only have one chance to make a last impression, and for us, this usually occurs at our registers. Go ahead and set the stage for a truly memorable experience. That means lots of WOW and community based decorations. Fun impulse items. A person available to fetch forgotten items or replacements for damaged products. And Crew Members who care about our customers as people. We are committed to training our Crew so that you have the information and authority you need to take care of any concerns our customers might have.

Hopefully, you'll agree that there's no business like Joe business. We think this is a great place to work – filled with excitement and energy and a true love for our customers. You

play a very important role in why our customers love us, too. Thanks for making our customers' day when they're in our store – it means the world to us. In fact, we hear from our customers all the time about how incredible our Crew is. Be sure to look in our Bulletin for some weekly – yes, weekly – examples of how you have had such a wonderful effect on our customers.



Thanks in advance.