

# **Summary of Company's Last Best and Final Offer with Full Committee Recommendation for Ratification**

# Three-Year Contract

## February 5, 2024 - January 31, 2027

- **Immediate:**

- One time **\$2.00** equity wage adjustment
- **4%** General Wage Increase effective 2/5/2024
- General wage increase 2025: **3.5%**, 2026: **3.0%**
- Cost of Living Increase (COLA) starting 2025
- Progression rate increase from \$0.10 to **\$0.20**
- Promotion increase from \$0.50 to **\$1.00**
- **\$1,500** ratification bonus
- Paid time for hurricane closures **up to 24 hours per year**
- Addition of Juneteenth (unpaid)
- Addition of the ability to receive 40 hours of NSW
- Pension multiplier increase
  - From \$84 to \$100



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## Three-Year Contract February 5, 2024 - January 31, 2027 – Contn'd

- Improved medical/dental plan starting 2025
  - **5% cap on employee premiums for 2025**
- Reinstatement of occupational group 018 (painters)
- Introduction of hourly kit auditors
- Improved bereavement
- Improved severance
- Improved recall rights



# Wages

- Average wage increases over life of Agreement
  - All employees **19.1%**
  - Employees Below Max Rate in Labor Grade **21.5%**
  - Employees At Max Rate in Labor Grade **15.7%**
- \$2.00 one-time wage adjustment on 2/5/2024
  - (average of 4.7%)
- 4.0% general wage increase in February 2024
- 3.5% general wage increase in February 2025
- 3.0% general wage increase in February 2026



## Progression Rate Increases

- Progression rate increase from \$0.10 to **\$0.20** every sixteen (16) weeks
  - 2024 4 progressions totaling **\$0.80**
  - 2025 3 progressions totaling **\$0.60**
  - 2026 3 progressions totaling **\$0.60**



# Current Wages

SCHEDULE E Effective January 30, 2023		
Labor Grade	Standard Rate*	Maximum Rate
11	\$13.00	\$15.41
10	\$19.73	\$22.22
9	\$22.45	\$24.95
8	\$24.26	\$26.77
7	\$26.59	\$29.08
6	\$29.12	\$31.60
5	\$32.07	\$34.57
4	\$35.22	\$37.84
3	\$38.50	\$41.09
2	\$42.13	\$44.80
1	\$45.97	\$48.72
0	\$48.71	\$51.55



**Effective 2/5/2024**  
**Equity \$2.00**  
**4.0% General Wage Increase**

SCHEDULE A Effective 2/5/2024		
Labor Grade	Standard Rate*	Maximum Rate
11	\$15.60	\$18.11
10	\$22.60	\$25.19
9	\$25.43	\$28.03
8	\$27.31	\$29.92
7	\$29.73	\$32.32
6	\$32.36	\$34.94
5	\$35.43	\$38.03
4	\$38.71	\$41.43
3	\$42.12	\$44.81
2	\$45.90	\$48.67
1	\$49.89	\$52.75
0	\$52.74	\$55.69



## Effective 2/3/2025

### 3.5% General Wage Increase

SCHEDULE B Effective 2/3/2025		
Labor Grade	Standard Rate*	Maximum Rate
11	\$16.15	\$18.74
10	\$23.39	\$26.07
9	\$26.32	\$29.01
8	\$28.27	\$30.97
7	\$30.77	\$33.45
6	\$33.49	\$36.16
5	\$36.67	\$39.36
4	\$40.06	\$42.88
3	\$43.59	\$46.38
2	\$47.51	\$50.37
1	\$51.64	\$54.60
0	\$54.59	\$57.64





# Effective 2/2/2026

## 3% General Wage Increase

SCHEDULE C Effective 2/2/2026		
Labor Grade	Standard Rate*	Maximum Rate
11	\$16.63	\$19.30
10	\$24.09	\$26.85
9	\$27.11	\$29.88
8	\$29.12	\$31.90
7	\$31.69	\$34.45
6	\$34.49	\$37.24
5	\$37.77	\$40.54
4	\$41.26	\$44.17
3	\$44.90	\$47.77
2	\$48.94	\$51.88
1	\$53.19	\$56.24
0	\$56.23	\$59.37



# Hourly Wage Increase from 2023 - 2026

Hourly Difference 2023 - 2026		
Labor Grade	Standard Rate*	Maximum Rate
11	\$3.63	\$3.89
10	\$4.36	\$4.63
9	\$4.66	\$4.93
8	\$4.86	\$5.13
7	\$5.10	\$5.37
6	\$5.37	\$5.64
5	\$5.70	\$5.97
4	\$6.04	\$6.33
3	\$6.40	\$6.68
2	\$6.81	\$7.08
1	\$7.22	\$7.52
0	\$7.52	\$7.82



# Average Wage Gains – All Employees

	GWl %	Hourly Rate
Average Current Wage		\$42.32
Equity Adjustment	\$2.00	\$44.32
GWl Year 1	4.00%	\$1.77
Year 1 Progression		<u>\$0.50</u>
		<b>\$46.59</b>
GWl Year 2	3.50%	\$1.63
Year 2 Progression		<u>\$0.37</u>
		<b>\$48.59</b>
GWl Year 3	3.00%	\$1.46
Year 3 Progression		<u>\$0.37</u>
		<b>\$50.42</b>
Total Hourly Wage Gain	<b>19.1%</b>	<b>\$8.10</b>
Annual Gain in Wages (2,080 Hours)		
Year 1 over Current		\$8,882
Year 2 over Current		\$13,042
Year 3 over Current		\$16,848
Total Wage Gain Over Current		\$38,771
Ratification Bonus		\$1,500
Wage Gains + Bonus		<b>\$40,271</b>

Total Gain Difference from Previous Offer:  
**\$5,231**

These gains exclude:

- Shift Differentials
- Overtime Gains to Wage Increases
- Changes in Pension / RSP Value (i.e., Matching, Employer Contributions)
- Changes in Medical/Dental/Vision Contributions or Out of Pocket Expenses



## Average Wage Gains – Employees Below Max Rate in Labor Grade

	GWl %	Hourly Rate
Average Current Wage		\$40.32
Equity Adjustment	\$2.00	\$42.32
GWl Year 1	4.00%	\$1.69
Year 1 Progression		<u>\$0.80</u>
		<b>\$44.81</b>
GWl Year 2	3.50%	\$1.57
Year 2 Progression		<u>\$0.60</u>
		<b>\$46.98</b>
GWl Year 3	3.00%	\$1.41
Year 3 Progression		<u>\$0.60</u>
		<b>\$48.99</b>
Total Hourly Wage Gain	<b>21.5%</b>	<b>\$8.67</b>
Annual Gain in Wages (2,080 Hours)		
Year 1 over Current		\$9,339
Year 2 over Current		\$13,853
Year 3 over Current		\$18,034
Total Wage Gain Over Current		\$41,226
Ratification Bonus		\$1,500
Wage Gains + Bonus		<b>\$42,726</b>

Total Gain Difference from Previous Offer:  
**\$7,686**

These gains exclude:

- Shift Differentials
- Overtime Gains to Wage Increases
- Changes in Pension / RSP Value (i.e., Matching, Employer Contributions)
- Changes in Medical/Dental/Vision Contributions or Out of Pocket Expenses



## Average Wage Gains – Employees at Max Rate in Labor Grade

	GW I %	Hourly Rate
Average Current Wage		\$45.58
Equity Adjustment	\$2.00	\$47.58
GW I Year 1	4.00%	<u>\$1.90</u>
		<b>\$49.48</b>
GW I Year 2	3.50%	<u>\$1.73</u>
		<b>\$51.21</b>
GW I Year 3	3.00%	<u>\$1.54</u>
		<b>\$52.75</b>
Total Hourly Wage Gain	<b>15.7%</b>	<b>\$7.17</b>
Annual Gain in Wages (2,080 Hours)		
Year 1 over Current		\$8,112
Year 2 over Current		\$11,710
Year 3 over Current		\$14,914
Total Wage Gain Over Current		\$34,736
Ratification Bonus		\$1,500
Wage Gains + Bonus		<b>\$36,236</b>

Total Gain Difference from Previous Offer:  
**\$3,973**

These gains exclude:

- Shift Differentials
- Overtime Gains to Wage Increases
- Changes in Pension / RSP Value (i.e., Matching, Employer Contributions)
- Changes in Medical/Dental/Vision Contributions or Out of Pocket Expenses



## **Cost of Living Allowance (COLA)**

- Starting February 3, 2025, a COLA shall be determined based on the changes in the Consumer Price Index (CPI-W)
- Adjustments to pay will be :

### Based on the Percent Change in the Index

<u>Effective Date of Adjustment</u>	<u>Dates Used</u> From	To
August 4, 2025	December 2024	June 2025
February 2, 2026	June 2025	December 2025
August 3, 2026	December 2025	June 2026



## Cost of Living Allowance Formula Example

In calculating the percentage change in the Index, the result shall be rounded to the nearest one hundredth of one percent (i.e., 0.005 and higher rounded upward, and less than 0.005 rounded downward). For example, if the December 2024 Index is 300.15 and the June 2025 Index is 308.65 the calculation is:

**Step 1**  $308.65 - 300.15 = 8.50$

**Step 2** Divide 8.50 by 300.15 x 100 = 2.8319

**Step 3** Round to 2.83% and divide by .15% = 19¢ per hour.

**The COLA adjustment will not exceed \$0.25 per hour in any period.**

**In no case will a semi-annual adjustment result in a cost-of-living allowance that is less than zero cents (0¢) per hour.**

**There will be no decrease in pay.**



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# Ratification Bonus

- \$1,500 ratification cash bonus paid in March 2024

# Vacation

- Forty Hours of unpaid time off, NSW, per each year of the agreement
  - Must be taken in whole shift increments





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# Holidays

- Addition of Juneteenth (voluntary, unpaid holiday)

# Pension

- Increase pension multiplier from \$84 to \$100/month/year of service for employees hired before 2/1/16.
- Pension freezes on 12/31/26.



## Savings Plan Improvements

- Maximum employee matched contribution shall be increased:
  - Effective March 18, 2024 to **\$94** per week
  - January 1, 2025 to **\$96** per week
  - January 1, 2026 to **\$98** per week



## **Life & AD&D Insurance**

Effective 2/5/24, Life and Accidental Death & Dismemberment (AD&D) maximum coverage increased from \$108,500 to \$120,500.

## **Disability Insurance**

Effective 2/5/24, Maximum Weekly Disability benefit increased from \$735 to \$815.

Effective 2/5/24, Maximum Total & Permanent Disability (TPD) monthly benefit increased from \$1,966.02 to \$2,189.46.

## **Survivor Income**

Effective 2/5/24, Survivor Income monthly benefit increased from \$375 to \$425.



## Insurance

Plan design and contributions for Medical and Dental will continue at current levels through December 31, 2024.

Effective January 1, 2025, employees receive new and improved medical plan.

**Cap of 5% increase of employee premium contribution in 2025**

**Continuation of Individual Medical Account (IMA)**

## Highlights Include:

- Medical, Prescription, Dental, Vision, Voluntary/Wellness benefits
- Company contribution to HSA
- Improved deductibles, co-insurance, and premiums Savings for vast majority of participants
- Open Formulary for Prescription (includes all drugs approved by the FDA available for retail sale)
- No lifetime limit on fertility coverage



# Insurance

## 2025 Insurance Employee Weekly Contributions by Base Pay Rate

For 2025 only, each of the 2024 medical and dental employee premiums listed below shall not increase more than 5%

Base Pay Rate < \$75,000 (\$36.06/hour)	HDHP Gold	HDHP Silver	Dental Plus	Dental Basic
EE Only	\$20.06	\$8.12	\$3.58	\$0.97
EE + Spouse	\$42.04	\$16.96	\$7.52	\$2.03
EE + Child(ren)	\$38.22	\$15.53	\$7.87	\$2.12
EE + Family	\$60.19	\$24.36	\$11.84	\$3.21
Base Pay Rate ≥ \$75,000 (\$36.06/hour) - ≤ \$100,000 (\$48.08/hour)	HDHP Gold	HDHP Silver	Dental Plus	Dental Basic
EE Only	\$27.47	\$15.53	\$3.58	\$0.97
EE + Spouse	\$57.56	\$32.48	\$7.52	\$2.03
EE + Child(ren)	\$52.31	\$29.62	\$7.87	\$2.12
EE +Family	\$82.40	\$46.57	\$11.84	\$3.21
Base Pay Rate >\$100,000 (\$48.08/hour)	HDHP Gold	HDHP Silver	Dental Plus	Dental Basic
EE Only	\$32.95	\$20.84	\$3.58	\$0.97
EE + Spouse	\$69.06	\$43.62	\$7.52	\$2.03
EE + Child(ren)	\$62.76	\$39.74	\$7.87	\$2.12
EE + Family	\$98.86	\$62.52	\$11.84	\$3.21



# Medical Plans

In-Network		Current			2024 Company Design*	
Plan Component	Coverage	HDHP 1	HDHP 2	HDHP 3	Anthem Gold	Anthem Silver
<b>Deductible</b>	EE Only EE + SP/CH Family	\$1,750 \$3,500 \$3,500	\$2,700 \$5,700 \$5,700	\$3,900 \$7,350 \$7,350	\$1,750 \$2,800 \$3,500	\$3,000 \$4,500 \$6,000
<b>HSA Funding</b>	EE Only EE + SP/CH Family	None			\$750 \$1,125 \$1,500	
<b>Coinsurance</b>		20%			20%	
<b>Out-of-Pocket Max (incl. Deductible)</b>	EE Only EE + SP/CH Family	\$3,600 \$7,350 \$7,350	\$5,400 \$12,000 \$12,000	\$6,650 \$13,300 \$13,300	\$4,000 \$6,000 \$8,000	\$5,000 \$7,500 \$10,000
<b>Embedded individual OOPM</b>		\$7,350			\$7,500	
<b>Rx coverage</b>		Deductible / 20% coinsurance			Deductible / 20% coinsurance	

\*Design examples shown are for 2024. Plan design and premiums will follow the Company offerings throughout the life of the contract.



# 2025 Medical Plans

## Highlights Include:

- Medical, Prescription, Dental, Vision, Voluntary/Wellness benefits
- Company contribution to HSA:
  - EE \$750
  - EE + SP/CH \$1,125
  - Family \$1,500
- Improved deductibles, co-insurance, and premiums Savings for vast majority of participants
- Open Formulary for Prescription (includes all drugs approved by the FDA available for retail sale)
- No lifetime limit on fertility coverage





# 2025 Medical Plans

## Health Care Plan Proposal - Overview

Provision	2024 Company Design*
Pay-based premium structure <b>NEW!</b>	Annual wage brackets
HSA Funding <b>NEW!</b>	EE Only - \$750 EE + Spouse / Child(ren) - <b>\$1,125</b> Family - <b>\$1,500</b>
Deductible and Limits	EE Only EE + Spouse / Child(ren) <b>NEW!</b> Family
Prescription Drug	Open formulary <b>NEW!</b> Opioid Safety Program <b>NEW!</b>
Fertility Coverage	No lifetime limits <b>IMPROVED!</b>
Dental plan <b>NEW &amp; IMPROVED!</b>	2 options – Plus / Basic Enhanced orthodontia and higher annual maximum in Plus
Health Care Spending Account (HCSA)	Limited purpose HCSA for those enrolled in HDHP w/ HSA for eligible dental and vision expenses <b>NEW!</b>
Voluntary Benefits	Pet Insurance <b>NEW!</b> ID Theft Protection <b>NEW!</b>





# 2025 Dental

## In-Network plan designs

Dental	Current Plan Design	2024 Company Design*	
		Delta Dental Plus	Delta Dental Basic
<b>Deductible</b>	\$50 You Only/\$150 Family	\$50 You Only/\$100 Family	\$50 You Only/\$100 Family
<b>Annual Max per covered person</b>	\$1,750	\$2,750	\$1,000
		<b>Class I</b>	
<b>Preventive Services</b>	100%	100%	100%
		<b>Class II</b>	
<b>Basic Services</b>	80% after deductible	80% after deductible	80% after deductible
		<b>Class III</b>	
<b>Restorative Services</b>	50% after deductible	60% after deductible	40% after deductible (in-network only)
		<b>Class IV</b>	
<b>Orthodontia Services</b>	100%	100%	Not covered
<b>Orthodontia Lifetime Benefit Max</b>	\$1,750	\$2,750 lifetime	N/A

\*Design examples shown are for 2024. Plan design and premiums will follow the Company offerings throughout the life of the contract.



# 2025 Dental

## Highlights Include:

- Lower Family deductible, -\$50
- Enhanced annual max benefit, +\$1k (Plus plan)
- Enhanced reimbursement level for Class III, Restorative services, +10% (Plus plan)
- Enhanced orthodontia lifetime benefit, +\$1k (Plus plan)



# **Paid Birth/Pre-Placement Parental Leave**

- Adoption leave is now referred to as Pre-Placement leave which also includes foster care and legal custody which were previously not eligible.
- Pre-Placement leave provides up to 4 weeks of paid time off which must be taken prior to the event (adoption, foster care, legal custody) to attend required meetings, travel, court hearings and other similar obligations leading up to these events. Time may be taken as a continuous or intermittent period of time.
- In the case that both parents are employed by RTX, both parents are entitled to Pre- Placement Leave.
- Birth Leave (8 weeks) and Parental Leave (4 weeks) leave remain unchanged.



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## Promotions

Minimum increase for promotions will increase from \$0.50 to **\$1.00**.

## Performance Appraisals

Performance of each employee appraised at least once a year.

New hires will not be appraised until after attainment of standard rate.

## Occupational Groups

Reinstatement of Occupational Group 018 Painter Introduction of hourly Kit Auditors



## Juneteenth

Juneteenth may be taken as voluntary unpaid day in addition to MLK and Veteran's Day

## Hurricane-Related Closures

Employees who are scheduled to work during hours in which the plant has been closed due to a hurricane will be **paid up to 24 hours per year**.

Employees who are asked to report to work to perform essential functions during hours in which the plant has been otherwise closed due to a hurricane, such as F&S employees required to assist in the re-starting of operations will be paid at the applicable OT rate.



## **Bereavement**

Grandparent of current spouse added as covered family member.  
Additional unpaid days for bereavement increased from 2 to 5 days.

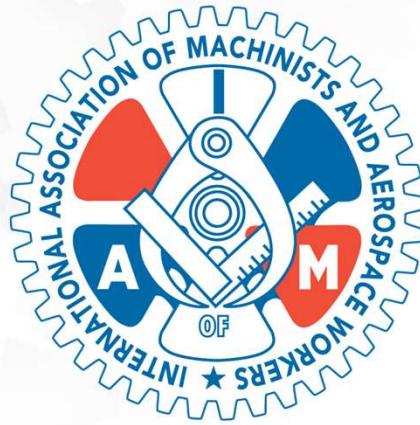
## **Severance**

Employees eligible after 90 days  
Minimum severance pay allowance increased from 2 to 4 weeks.  
Medical & Dental continuation increased from 30 to 90 days.

## **Recall Rights**

60 months recall rights for all employees with 2 or more years of seniority.





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