

CONTRACT SUMMARY

Higher Paychecks, Retirement Gains
More Paid Time Off



5-Year Contract Duration: June 15, 2026,
through June 15, 2031



UNPRECEDENTED PAY INCREASES

YEAR	GENERAL WAGE INCREASE
2026	+ 6.0%
2027	+ 4.5%
2028	+ 4.5%
2029	+ 4.0%
2030	+ 4.0%

Total 5-Year
Wage Growth:

40%*

No Frozen Maxes, No
Lump Sum Increases!

*Compounded wage growth with GWIs, ARPs & Y1 COLA fold

Increased ARPs: \$0.30 x4 per year!



\$6,000

RATIFICATION BONUS

Lump sum payment after contract
ratification.



\$1,000 per year

COLA SUPPLEMENT

with the COLA formula maintained!



MORE MONEY FOR YOUR HEALTHCARE

\$500

One-time HSA Contribution for
all enrolled in an HDHP as of
12/31/26



INCREASED VACATION TIME



COMPLETED YEARS	ANNUAL HOURS
0-9 yrs.	112
10-14 yrs.	160
15-19 yrs.	172
20+ yrs.	192

Average Increase = 30 hours
✓ More flexibility
✓ Better work-life balance for all



STRONG RETIREMENT BENEFITS

PENSION
INCREASED TO
\$108

Per Year Of Credited Service

NON-PENSION:
6%

Company Contribution
for ALL Non-Pension
Eligible to IAM 401(k)



PSP Match: 50% of 8% for all

FOR MORE INFORMATION



Wages & Bonus
Summary
Page 2



Retirement
Benefits
Page 3



Health Plan
Benefits
Page 4



Time Away
from Work
Page 5



Additional
Highlights
Page 6



Firefighter
Highlights
Page 7

FULL AGREEMENT HERE →



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WAGE & BONUS SUMMARY

Your IAM Negotiating Committee Fought for a Historic Wage and Bonus Package with NO MAXIMUM RATE RANGE FREEZES or LUMP SUM INCREASES!

- General Wage Increases in effect **July 4, 2026** and in each July of subsequent years of the contract including **6.0%** in 2026, **4.5%** in 2027, **4.5%** in 2028, **4.0%** in 2029, and **4.0%** in 2030.
 - Over 60% of the bargaining unit will be at their labor grade's maximum rate by the end of the agreement.
- All minimum rates will increase to at least \$23 per hour, while maximum rates will increase by the GWI each year.

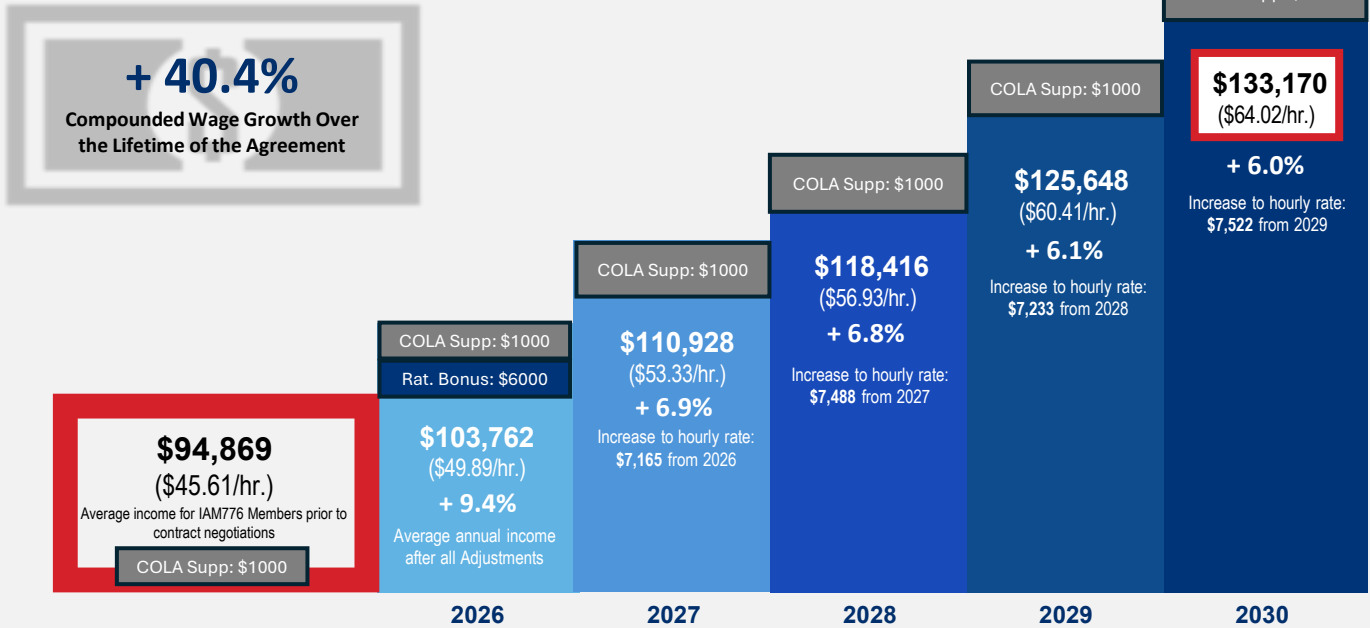
ARP Increase

\$0.30
four times per year
(up from \$0.25)

Year-Over-Year Example of ARPs (\$1.20 annually) & GWIs (6.0%, 4.5%, 4.5 %, 4.0%, 4.0%)

Wage Growth Illustrative purposes only, assumes employee under the max of the rate range.

- Assumes the same labor grade over the life of the contract, under the max of the rate range
- Y1 Lump Sums includes \$6,000 Ratification Bonus and \$1,000 COLA Supplement
- COLA hourly projections not included 2027-2031



\$7,000 Total Cash Paid in 2026



\$6,000
Ratification Bonus
(If offer is ratified by June 14, 2026)



\$1,000
COLA Supplement
(\$1,000 paid annually, 2026-2030)

COLA Formula Maintained

Your IAM Bargaining Committee fought to maintain your COLA formula in addition to the annual lump sum COLA Supplement.

The COLA fold-in will include up to the existing float of **\$0.14** and **\$0.18** cent adjustment (**\$0.32 total**).

Tax Savings! Consider Bonus Deferrals

Your ratification and COLA supplements can be deferred on a pre-tax basis to your PSP or HSA in **\$500** increments.



POSITION UPGRADES

Factory:

Tube Bender A move from F06 to F05

Inspector Material Detail A move from F04 to F03

Bond & Comp Equipment Oper A move from F04 to F03

Bond & Comp Manuf Dev Spec A move from F04 to F03

Bond & Comp Fabricator A move from F05 to F04

Bonding & Composite Mechanic move from F05 to F04

Crater Packer A move from F06 to F05

Technical & Office:

Hazardous Waste Worker move from T06 to T05

NEW:

Inspector - LO Finishes – F03

Aircraft Delivery Inspector – T01



RETIREMENT SAVINGS BENEFITS

Competitive Retirement Benefits with Exponential Growth Potential

A percent-based retirement contribution means each raise boosts the dollar amount you defer, causing your retirement savings to compound faster as your base wage grows (ex: 23% wage growth = at least 23% retirement savings growth!)

**INCREASE IN
PENSION MULTIPLIER**
(For pension eligible)



\$108

per month per year of
credited service
(all 2026 retirements are
eligible for the increase,
effective July 1, 2026)

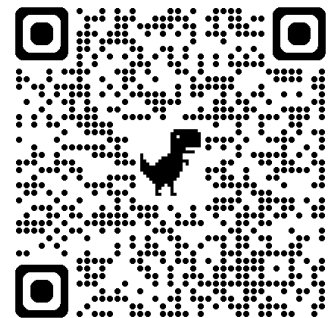
**COMPANY CONTRIBUTION
TO IAM NATIONAL 401K**
(For non-pension eligible)



6%

automatic contribution for
all years of service
(up from 5% for members with
0-3 completed years of
service)

Scan the QR code
to model the value of
your individual wage
growth and PSP / 401K
contributions!



**COMPANY PSP MATCH
FORMULA**

Match **50%** of the
first **8%** you contribute

up to
4%




HEALTH CARE BENEFITS

Your Bargaining Committee bargained hard to preserve your health benefits that limit cost growth for members as overall healthcare expenses continue to rise, nationwide.

High-Deductible Health Plans (HDHP) and their respective Cost Shares are maintained: employees pay no more than 10% of the premium cost (plan dependent). Premiums will be capped annually with a cap increase in 2030.

Legacy Health Plans (Aetna HMO, Kaiser Southern California HMO, and Aetna POS) will be discontinued after December 31, 2029.

 PREMIUM COST SHARES (Company / Member)	HDHP 1	HDHP 2	HDHP 3	HMO	POS
2027	90% / 10%	93% / 7%	95% / 5%	87% / 13%	85% / 15%
2028	90% / 10%	93% / 7%	95% / 5%	80% / 20%	80% / 20%
2029	90% / 10%	93% / 7%	95% / 5%	75% / 25%	75% / 25%
2030	90% / 10%	93% / 7%	95% / 5%		
2031	90% / 10%	93% / 7%	95% / 5%		



Education to come!

Additional education will be provided on your health benefits throughout the duration of the agreement to ensure you are equipped to maximize your benefit plan potential, making the most of cost savings opportunities.

HEALTH SAVINGS ACCOUNT (HSA)

ONE TIME HSA CONTRIBUTION FOR ALL ENROLLED!

\$500 for all HDHP enrolled in 2026

\$1,800 / \$3,600 for Legacy Plan Transition



TRIPLE-TAX ADVANTAGED

Contributions are pre-tax, growth is tax-free and withdrawals for qualified medical expenses are tax-free, where applicable.



SPEND, SAVE, INVEST

Pay for today's expenses, or save for tomorrow and invest to grow your balance. Plus, the money is yours to keep! It does not expire at year-end.

CURRENT ENROLLED HDHP PARTICIPANTS (Family Coverage)

\$500 One-Time Company Contribution to HSA

\$1,000 Annual Company Contribution (2027)

\$800 Wellness Incentives for employee and spouse/domestic partner

\$2,300 2027 Company Contributions to the HSA

\$5,400 Company Contribution to the HSA for Legacy Plan Enrolled in the Year of Transition



TIME AWAY FROM WORK

More Vacation Time!

Your Bargaining Committee locked in a substantial increase in vacation time for every member. With guaranteed extra paid days off, you'll gain greater flexibility to balance work and life and spend your time on what matters most to you.

Effective with your January 2027 accrual, members will see the following change in their vacation accrual schedule:

CURRENT CONTRACT VACATION SCHEDULE		
YEARS OF SENIORITY	HOURS PER YEAR	HOURS PER MONTH
0-8 years	80	6.67
9-18 years	120	10.00
19+ years	160	13.34



NEW CONTRACT VACATION SCHEDULE		
YEARS OF SENIORITY	HOURS PER YEAR	HOURS PER MONTH
0-9 years	112	9.33
10-14 years	160	13.34
15-19 years	172	14.33
20+ years	192	16.00

VACATION CHANGE BY YEARS OF SENIORITY			
YEARS OF SENIORITY	TODAY	NEW	1/1/27
0	80.00	112	32.00
1	80.00	112	32.00
2	80.00	112	32.00
3	80.00	112	32.00
4	80.00	112	32.00
5	80.00	112	32.00
6	80.00	112	32.00
7	80.00	112	32.00
8	80.00	112	32.00
9*	120.00	112	-8.00
10	120.00	160	40.00
11	120.00	160	40.00
12	120.00	160	40.00
13	120.00	160	40.00
14	120.00	160	40.00
15	120.00	172	52.00
16	120.00	172	52.00
17	120.00	172	52.00
18	120.00	172	52.00
19	160.00	172	12.00
20+	160.00	192	32.00

*One-Time Vacation Load for 9 Years

Members who will reach 9 years of completed seniority on or before 12/27/26 but have not reached 10 years of completed seniority by 1/31/27 will receive a 1-time 8-hour vacation load



PERSONAL BUSINESS

48 hours on January 1 of each year
NEW: up to 24 hours of carry over each year for a maximum balance of 72 hours.

100
Holiday Hours
Per Year

**NO MANDATORY
OVERTIME!**

ATTENDANCE CONTROL PROGRAM (ACP) UPDATES

(Effective 1/1/27)

Backing out of step has been simplified:

- Back out of Step 1 with 160 consecutive hours worked instead of 1 review period
- Back out of Step 2 with 320 consecutive hours worked instead of 2 review periods
- Back out of Step 3 with 320 consecutive hours worked instead of 2 review periods

Ability to use **up to 4 hours** of vacation to avoid a Step

15-hr. annual cap
additional absence = Step

All members will be reset on January 1, 2027



Make sure to call to report ALL absences!



ADDITIONAL CONTRACT HIGHLIGHTS



Improved Pre-65 Retiree Medical Subsidy

To help offset medical costs, Lockheed Martin's maximum subsidy will increase by 3.9% to **\$8,000** annually (Retiree Only) or \$666.67 per month, and **\$16,000** annually (Retiree + Family) or \$1,333.33 per month, with no change to the formula, for eligible retirees.

Increase in Basic Life and Accidental Death and Dismemberment Insurance

Insurance benefits for Basic /Term Life Insurance and Accidental Death and Dismemberment will increase by 11.1% from \$45,000 to **\$50,000** under each plan, for all members actively at work as of January 1, 2027. The company pays the full cost for these coverages.

Safety Glasses Allowance

Safety Glasses allowance increased from \$100 to **\$125**.

Improved Lead Administration

To help promote fairness and consistency in our lead structure, new leads will be selected following a review from a joint Company-Union selection committee and will have a minimum service year requirement. Additionally, the premium for new leads will be **5%** of your regular hourly rate. Current leads will still receive their current premium structure until the end of the contract on June 15, 2031.

New Union Positions: Chief Steward, Chief Safety Steward, Safety Steward

This contract will introduce three new roles to support the experience and overall safety and wellbeing of our membership.

Pax / EAFB Field Rate Premium

The field rate premium for members at NAS Patuxent River and Edwards AFB has increased from \$1.75 to **\$2.50**.



FIREFIGHTER CONTRACT HIGHLIGHTS

Work Schedules

48/96 schedule has been added as one of the Firefighter standard work schedules which the Company intends to implement in 2027.

Fire Inspectors will have the option to transition from the 42-1/2 hour to another schedule will receive a one-time **\$2.00** increase to base pay upon transition.

Improved Wage Growth

Those earning the 24/48 schedule premium as of 6/14/2026 will receive a **\$0.20** increase to base pay prior to 2026 GWI in lieu of the \$0.20 premium allowing that to grow with each GWI and increase your wage growth over the life of the contract.

Established Field Trainers

Selected Field Trainers will receive a **5%** premium above their regular hourly rate.

Driver/Operator

Selected full-time drivers will receive a **5%** premium above their hourly rate.

Trade Days

Additional flexibility for Firefighters to utilize trading shifts. No limit to shift trades between Firefighters, and personal business or approved vacation can be applied to traded days.

