

2024 CONTRACT FACTS ISSUES IN FOCUS



Retirement Security: 401(k) Details

In the new proposal, the Boeing Company 401(k) plan would provide the following:

1. An **automatic** Special Company Retirement Contribution (SCRC) to every IAM-represented worker's 401(k) account of 4% of pay. The SCRC contribution includes overtime, differential pay, etc. This is *not contingent* upon any employee contributions.
2. For workers who do contribute, a matching employer contribution of **100%** up to 8% of pay. **This is a notable increase over the current 75% matching employer contribution.** This matching contribution is on an employee's base rate only, not including overtime. This is contingent upon employee contributions. The company will match dollar for dollar of your contributions, up to 8%. For example, if an employee contributes 6%, the company will match 6%. If an employee does not contribute, the company does not provide a match.
3. An addition one-time employer contribution of **\$5,000**: The Company agrees to make a One-time Company Contribution to The Boeing Company 401(k) Retirement Plan (the "401(k) Plan") on behalf of each employee who is (a) covered by the Agreement, and (b) on the active payroll upon ratification of the Agreement (including on a leave of absence of ninety (90) days or less) or approved military leave of absence on September 12, 2024 pursuant to Section 6.6(b), even if such military leave of absence is longer than ninety (90) days, and (c) returned to work by no later than October 31, 2024.

For the life of the contract:

When IAM members contribute 8% of pay, the total company contribution is 12% of pay. This is a total contribution of 20% of pay.

Context:

Retirement security experts typically recommend that workers without 401K match programs such as those reflected in this proposal save roughly 15% of their pay, for every year of their career, in order to maintain the same standard of living in retirement. This, in addition to Social Security, should provide enough of an income replacement to live as comfortably as they did while working. We have reached a proposal in which the employer is positioned to contribute nearly the entirety of that recommended 15% for employees who participate. The proposal establishes a clear pathway by which employees are able to achieve a majority-employer-funded 20% total contribution to exceed the recommended 15% threshold.

4% Employer Automatic Contribution
+ 8% Employer Match Contribution

12% Total Employer Contribution
+ 8% Employee Contribution
= 20% Total Contribution