

AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

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AMFA – Alaska Airlines Negotiations

<u>Update #14</u> -- <u>November 30, 2023</u>

<u>Participants for AMFA</u>: Pat Amore – National Vice President Earl Clark – Region I Director Jarod Mills – Local 14 Airline Representative Jeff Heard – Local 32 Airline Representative Lucas Middlebrook – Legal Counsel Peter Manikowski -- Economist

Participants for Alaska Airlines:

Sonia Alvarado - Managing Director, Labor Relations Don Wright – V.P., Maintenance & Engineering Kelly Welch – Senior Corporate Counsel Denise Kliskey – Labor Relations Brett Jacobs – Dir. Divisional FP&A Karen Themelis – Labor Relations

The AMFA-Alaska Negotiating Committee (the "Committee") is providing this update to the membership at Alaska Airlines. This is the only official authorized source of negotiating communications by the Committee.

The parties held a two-day bargaining session on November 28-29, 2023, in Seattle to continue bargaining toward a successor collective bargaining agreement (CBA).

The parties spent the morning of Day 1 clarifying a few issues from the September agreement in principle (AIP) related to Article 20 – Retirement and certain issues specific to the Maintenance Control appendix. The Company then provided a financial presentation on the state of the airline and its projections moving into 2024. Following the Company's financial presentation, AMFA presented its proposal, which contained changes to the September AIP in specific response to feedback received from you, the membership, during our roadshow.

AMFA's proposal was conditioned upon all the previously agreed upon items from the September AIP remaining the same except those contained explicitly in AMFA's new proposal. Your Committee's proposal contained the following items:

- <u>Retirement</u>: AMFA proposed an additional 5% non-elective 401(k) contribution (NEC) for all employees as a separate contribution
- <u>Effective Date</u>: AMFA reiterated its position that all items (including wages) would be effective as of October 17, 2023, and out-year increases effective every October 17 thereafter.
- <u>Wages</u>: AMFA proposed:
 - pay scales for all classifications would be 6-step scales with approximately equal percentage increases between each step (smoothing each scale)
 - o \$1.50 maximum longevity for employees with 25+ years of service
 - Top-of-Scale Technician all-in wage rate of \$66.78 (1.5% above SWA all-in)
 - Top-of-Scale MX Control all-in wage rate of \$83.99 (1.5% above SWA all-in)
 - Top-of-Scale Technician Helper / Janitor all-in wage rate of \$38.03.

There also remained a few substantive items from the September AIP related to Maintenance Control for which AMFA advised in its proposal that the parties must discuss and agree upon before any future AIP.

Unfortunately, the Company advised AMFA that it would be unable to respond substantively during this session to our proposal as time is needed to cost AMFA's proposal and discuss with senior leadership.

Therefore, the parties began Day 2 discussing retirement-related issues with the Company's retirement subject matter expert to understand better how many employees were enrolled in the various retirement plans, which allows our economist to cost proposals more accurately. Following that discussion, the parties utilized the time together to go through the September AIP and close out several remaining cleanup items that were previously unresolved.

The parties then discussed available dates to reconvene to continue negotiations. Your Committee was hopeful to meet with the Company again in December, but the Company advised it did not have dates in December available that aligned with AMFA's dates; therefore, the parties agreed to meet January 9-11 and January 23-25, 2024, which would both be in Seattle. AMFA is committed to reaching a new AIP, which can be promptly converted to a complete tentative agreement (TA) worthy of your consideration.

If you would like to be an observer in future negotiation sessions, please communicate with your ALR. And remember, stay engaged, remain informed, and continue to provide the Negotiating Committee with ongoing support, which increases the Committee's ability to bargain a CBA you deserve.

In Solidarity,

Your AMFA-Alaska Negotiating Committee