Boeing and SPEEA Announce Tentative Agreement on New Contract Extension

Six-year offer includes above-market compensation

Expanded workforce stability protections

Transition benefit to new retirement program

Modest increases in employee contributions for market-leading health care, new options

SEATTLE, Jan. 13, 2016 /PRNewswire/ -- Boeing [NYSE: BA] and the Society of Professional Engineering Employees in Aerospace (SPEEA) today announced a tentative agreement on a new six-year contract extension, following several weeks of discussions.

SPEEA's Executive Board and Bargaining Unit Councils have endorsed the offer, which will be put up for a vote by the membership from Jan. 27 to Feb. 10, 2016 via mail-in ballots.

Under the tentative agreement, Boeing would continue to provide SPEEA-represented employees with above-market compensation for their skills.

"This tentative agreement recognizes the significant contributions of our engineering and technical workforce and reinforces Boeing's commitment to the Puget Sound region," said Boeing Vice Chairman and Commercial Airplanes President and CEO Ray Conner. "As our competitive environment gets tougher, ratification will enable Boeing to be more competitive in today's and tomorrow's commercial and defense markets, while helping ensure stability for Boeing's future as our employees strive to deliver superior products and services to our customers."

Boeing and SPEEA have a mutual interest in maintaining a stable Puget Sound workforce. The tentative agreement includes a commitment to limit layoffs due to work movement, should it become necessary. If work is moved outside Puget Sound, Boeing will exercise all reasonable efforts to offer affected employees comparable positions in the SPEEA bargaining unit.

If Boeing determines that relocation of work is necessary, the company will conduct a redeployment evaluation period for no less than 120 days before any represented employee is laid off. Following that, if a position is not available after the evaluation period, an employee would be offered an enhanced layoff benefit providing two weeks of pay for every full year of service, up to a maximum of 60 weeks (minimum of 26 weeks) payable as a lump sum. Affected employees would also receive six months of continued medical and dental coverage.

For SPEEA-represented employees hired before March 2013, a new retirement savings program is proposed that will replace the traditional pension, which will be modified on Dec. 31, 2018. The new retirement program would include a new Special Company Retirement Contribution and enhanced 401(k) transition contributions. All other employees represented by the union already participate in a new retirement savings program.

SPEEA health care contributions have not changed since 2008, while health care costs for other Boeing employees and employees across all industries have increased. Boeing continues to pay more than 85 percent of all employee health care costs.

Under the tentative agreement, employees would see modest increases in cost sharing for participation in the company's market-leading health care plans in addition to having continued access to a zero contribution health care plan. The tentative agreement includes access to Boeing's Preferred Partnership health plan in Puget Sound, which provides additional savings to employees.

The current SPEEA contract expiring in October 2016 covers about 14,000 professional engineers and 6,500 technical workers.

Visit www.boeing.com/speea for more information.

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