

Labor Negotiations 101

BACKGROUND

In the next several weeks, Northrop Grumman will soon begin contract negotiations for the Collective Bargaining Agreements (CBAs) we have with the three unions in the Baltimore area: the IBEW, IUE and SEA. Our current CBAs expire at midnight on Aug. 30, 2025.

DEFINITIONS

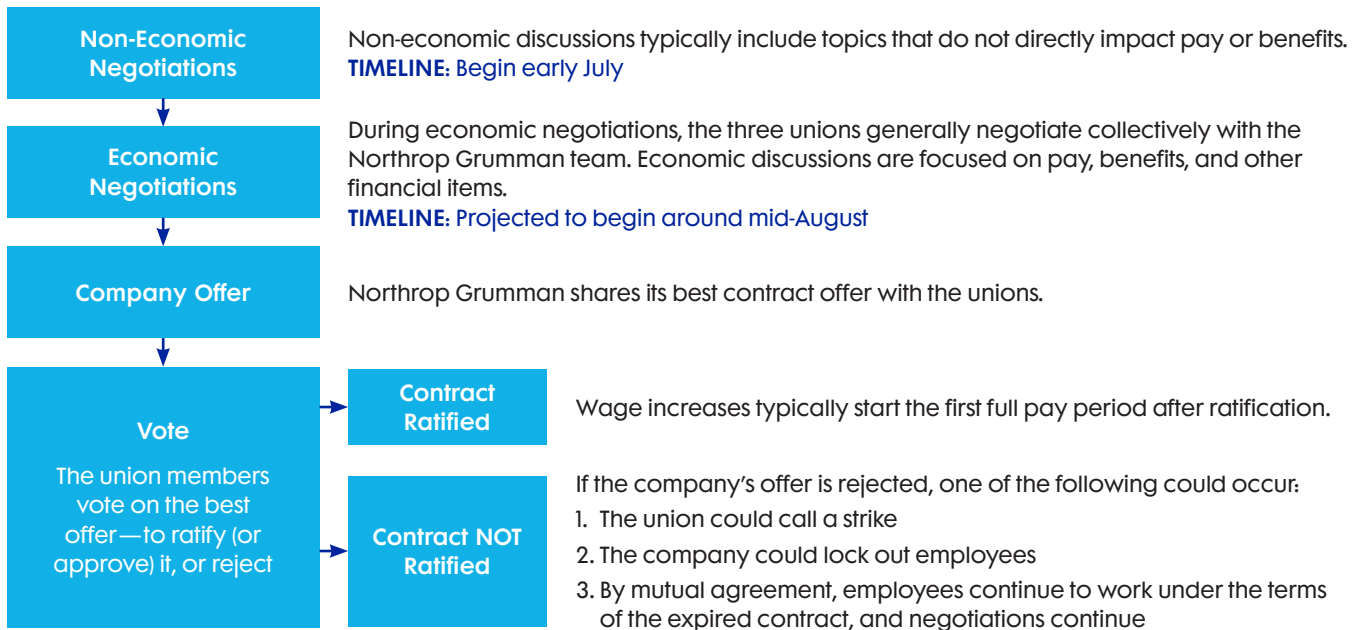
Union: A group of workers who negotiate with a company on issues like wages and benefits collectively instead of individually.

Negotiations: Every several years, unions negotiate with the employer on behalf of the workers they represent. During this process, the union and the company talk about pay, work hours, and job conditions to create an agreement that both sides accept.

Collective Bargaining Agreement: Written contract between an employer and a union (or unions) which defines terms and conditions of employment (wages, hours, vacations, holidays, overtime payments, working conditions, etc.), rights of workers and union, and procedures to be followed in settling disputes or handling issues that arise during the life of the contract.

PROCESS FOR NEGOTIATIONS

Typical order of operations in a negotiation:



STRIKE

- The union may choose to strike if a new CBA is not ratified. A strike is an organized and intentional stoppage of work by employees.

DURING A STRIKE

- The business continues to operate through a contingency plan to ensure we meet our obligations to our customers.
- Employees who are on strike do not receive regular paychecks, cannot use PTO and may have an impact to their benefits.

