TWU Local 556

#FFF

Fast Fact Friday
401(k) Contributions

Friday, September 19, 2025

Q1: “What does TWU Local 556 have to do with my 401(k) match program?”

Article 30 of our Contract contains all negotiated and ratified language about our Profit Sharing and Retirement Programs, including our 401(k)/Roth 401(k) Plans. The short answer is our TWU Local 556 Negotiating Committee actually negotiated this language, including what the 401(k) match percentage would be for our Flight Attendants and the vesting structure.

When the 9.3% Company match rate was ratified in our Purple Contract, many other workgroups added a “Me-Too” clause with our language to ensure their Members would receive an increase if another workgroup (excluding the Pilots) negotiated and ratified an agreement with the same terms and conditions, and a higher Company match.

HISTORICAL TIMELINE

- **Yellow Contract (signed September 3, 1986):** Language added about investigating a 401(k) Plan “soon”.
- **Burgundy Contract (signed December 17, 1991):** Introduced our first 401(k) match program with SWA matching at a rate of $0.50 per $1.00, up to a maximum contribution of 6%, with a maximum Company contribution of $2500 per year.
- **Green Contract (signed December 18, 1997):** Increased the SWA match rate of $1.00 per $1.00, up to a maximum contribution of 6%, with a maximum Company contribution of $5000 per year. Then effective January 1, 1998, the maximum employee contribution and match increased to 6.3% with no maximum Company contribution.
- **Blue Contract (signed July 30, 2004):** Increased the match percentage to 8.5% effective January 1, 2009.
- **Purple Contract (signed July 27, 2009):** Increased the match percentage to 8.5% effective January 1, 2009. Effective January 1, 2011, increased the match percentage to our current rate of 9.3%.
- **Pink Contract (signed April 25, 2024):** If any employee group (excluding the Pilots) receives an improvement to the Company’s 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be offered to employees covered by this agreement.

Q2: “What is our current 401(k) match and how does it compare to other Flight Attendant Contracts?”

Our current 401(k) match is 9.3%. When looking at other Flight Attendant 401(k) matches, our 9.3% continues to exceed all other Flight Attendant match percentages.

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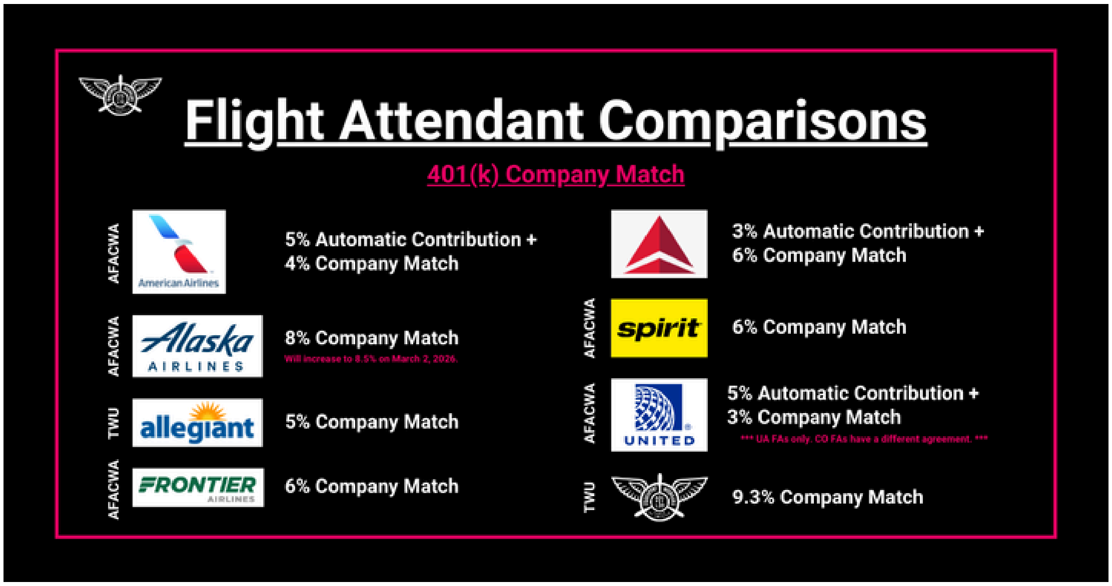

When looking at 401(k) match percentages given to employees of other large workgroups, our 9.3% stands above a large majority of Company programs, including Boeing Machinists (100% Company match up to 8% of eligible wages), Salesforce (100% Company match of up to 6% of salary up to $5,000 max per year), and AT&T (80% Company match up to the first 6% of their eligible compensation).

Q3: “Why does our 401(k) match program differ from the Pilots?”

The easiest answer to this question is that our Pilots negotiated a Retirement Program more in-line with other Pilot Retirement Programs in the industry. Their language and contributions are different and more elaborate than ours, mainly because of their forced retirement age at 65. Because we are not Pilots, our Negotiating Team proposed and agreed upon language more in-line with other Flight Attendant Retirement Plans. In all actuality, to this day, our Contractual Retirement Plan continues to be industry leading.

Q4: “What is a ‘match’? Can I change the amount I contribute?”

When we refer to a “match”, this means that if the employee (you) contributes a percentage of their eligible earnings, Southwest Airlines will match that contribution up to the maximum percentage (9.3%) dollar for dollar.

Example 1: I contribute 5% of my eligible earnings to my 401(k) retirement account. Southwest Airlines will match this personal contribution with an additional 5% company contribution of my eligible earnings.

Example 2: I contribute 10% of my eligible earnings to my 401(k) retirement account. On top of my personal contribution, Southwest Airlines will contribute the maximum match percentage of 9.3% of my eligible earnings to my 401(k) retirement account.

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Example 3: I contribute 15% of my earnings to my 401(k) retirement account. On top of my personal contribution, Southwest Airlines will contribute the maximum match percentage of 9.3% of my eligible earnings to my 401(k) retirement account.

It is your retirement account and that means you can decrease or increase your contribution amount as you deem fit.

Important Note: IRS annual contribution limits depend on multiple factors and are subject to change yearly. Please speak with your financial advisor if you have questions about your contributions and the potential impact of limits.

Q5: "Who do I contact if I have questions about my SWA retirement accounts?"

Empower is the record keeper for the Southwest Airlines Retirement Plans. If you have additional questions, please contact the helpful people at Empower for assistance and guidance.

(866) 588-2728 or (866) LUV-2SAV

Please remember that TWU Local 556 should not be consulted for financial or retirement advice and/or planning. For those services, you need to contact the professionals at Empower or your own financial planner.