

2026 Legacy T – Contract Explanation

After a round of intense and determined bargaining, during which the company advanced multiple unacceptable proposals, the Committee forced meaningful movement. The tentative agreement delivers the strongest wage increases in nearly four decades, preserves employee benefit cost sharing, lowers costs for some members, and secures additional Alliance funding along with other important gains. Below are the details.

Wage Increases:

April 12, 2026 = 5.0%

April 11, 2027 = 3.25%

April 9, 2028 = 3.0%

April 8, 2029 = 3.25%

will be applied to the top step for the following articles:

Article 15.4 (General Wage Increase – GWI)

Article 34.2(c)

Article 44.1(h)

Article 45.5(b)

USVI Article f.2(b)

Article 19 – See Benefit Summary, Benefit MOA & Wellbeing letter attached

Option 1 Broad, Option 1 Select, Option 2 Broad, Option 2 Select

Monthly Premiums based on

Individual

Individual + Spouse/Partner

Individual + Child(ren)

Family

Over 400 workers who currently only cover themselves plus their children will see a drop in monthly medical premiums. Currently individual + children is the same as family which Option 1 is \$429 per month. Under the new plan Option 1 Broad, the highest monthly premium will be \$303 per month in 2027 / \$359 per month in 2030. (Option 1 Select, Option 2 Broad & Option 2 Select have lower monthly premiums.)

All options are a significant reduction in monthly premiums for 2022 New Hires and transferees. Ex. Currently Option 1 is \$193 Individual / \$511 family will go down in 2027 for Option 1 Broad to \$178 individual / \$463 you + spouse/partner) / \$303 You + kids / \$498 family. Under the proposed 2026 agreement all existing employees are under the same medical plan.

New hires become eligibility for company subsidy for medical on the employees date of hire provided the employee enrolls in the 31-day enrollment period.

Select Plans – The participating providers in these plans have agreed specific conditions to keep plan costs down so the monthly premiums for Select plans are lower for the employee. The provider/facility pool may be more limited but may include some of the same providers/facilities in the Broad Plan options.

The cost share for an individual remains at 29% for Option 1 Broad, O1B 29% / O1S 27% / O2B 32% / O2S 30%. The Wellbeing Incentives reduce cost share up to an additional 3% & HSA match max drops cost share 4%.

- NEW – Access to Wellness Incentives – earn incentives for participating in the AT&T sponsored wellbeing program.
- NEW - Wellness Choice Account – account credit for completing certain wellbeing activities through the wellbeing program.
- NEW – Surrogacy & Cryopreservation benefits added to existing Adoption
- NEW Health Savings Account Match for qualifying contributions to HSA
- NEW – Dependents can stay on Dental & Vision plans until the end of the month dependents turn 26 years old regardless of marital status.

1% pension increase to traditional pensions.

Article 20 – Death or Funeral

Employees will receive 1 full tour (not to exceed three full tours) off to attend the funeral of a distant relative or very close friend.

This eliminates an employee from having to negotiate how many hours are necessary to attend the funeral of a close friend or distant relative.

There is no change to the immediate family language.

Article 23 Holiday

Rev Dr Martin Luther King Jr Day (which we already had in the 2022 extension) was memorialized and added to the list of recognized holidays.

In lieu of any additional holiday that could be perceived as religious or cultural, the company agreed to add the employees individual service anniversary date to the list of optional holidays that can be locked in prior to vacation selection.

Termination Pay

Article 25

Article 43

Article 44

Article 45

Termination payments for employees hired on or after April 12, 2026, will receive up to 40 weeks of termination pay, based on years of service for up to 25 years of service. This change impacts no people on payroll today and the company suggests it gives an incentive to individual business units to hire new employees under the Legacy T bargaining unit.

**Current employees remain on the termination scale in Article 25 or under their functional Article 43, 44, 45 as applicable.

Article 43

Added 4 differentials for ALL Network Technical Specialists

Sunday Differential –

Compensation for time worked during a scheduled tour on a Sunday shall include a Sunday differential of one-half (1/2) time extra at the employee's Hourly Overtime Base Rate.

Shifted Tour Differential –

An employee shall be paid a shifted tour differential of one-half (1/2) time extra at the employee's Hourly Overtime Base Rate, for time worked within a tour that has been shifted on any day except a Sunday or an authorized holiday, under the following conditions: (1) When the employee works a normal tour which starts four (4) or more hours before or after, the starting time of the employee's basic tour. (2) When the employee works a scheduled half tour all of which is outside the employee's basic tour.

Minimum Interval Differential -

Interval between Tours - Work on Weekdays Exclusive of Authorized Holidays If the interval between the end of a scheduled tour or a shifted tour that has been worked, and the beginning of the next scheduled tour is less than eight (8) hours, an employee shall be paid a differential of one-half (1/2) time extra at the employee's Hourly Overtime Base Rate, for all time worked during the second of the two tours. The compensation on a time and one-half (1-1/2) basis as prescribed herein for hours worked during the second of the two tours is the full amount of compensation to which an employee is entitled for such work.

Continuous Work Time –

When an employee works continuously during the sixteen (16) hour period immediately preceding the start of the employee's scheduled tour, the employee shall be paid a differential of one-half (1/2) time extra at his or her Hourly Overtime Base Rate, for all time worked within the scheduled tour unless the employee is paid in accordance with Paragraph 11(g)(1) above, or unless it is on a Sunday or an authorized holiday.

Article 45

Wage Increases follow Article 15

The “maximum” step will be removed from wage tables 63, 69 & 70

One time increase of up to 2.5% at the top step of wage tables 63, 69 & 70 of Appendix 5 before the 2026 GWI is applied.

Business Customer Service Provisioning Engineer (CA & CO, 70, N1&L1)	\$1,761.00	\$1,805.00
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Alliance Funding

Increase in Alliance funding to \$7 Million over the life of the agreement, with language to discuss additional funding when 75% of funds are utilized.

Pre-Paid tuition increase to \$3500 annually per employee (up from \$2500).

No less than Semiannual meetings between company and union leadership along with the Career Support Coordinators who are currently supporting members with the Alliance Learning Program.

Success Share Plan

Success Share Plan carries forward using the same calculations as exist today.

Technological Change Committee (NEW)

A new committee will be formed to address Artificial Intelligence and its impacts on our membership.

Employment Security

Removal of the employment watermarks

NEW Letter committing to post and fill 200 jobs in the bargaining unit during the term of the 2026 agreement. **(see attached)**

NEW Involuntary Layoff letter (see attached)

Limited involuntary layoffs for the life of the agreement.

Involuntary layoffs made in accordance with Article 24 due to location closures/consolidations shall not constitute an involuntary layoff as it relates to the limitations imposed by the letter.

Continued Job Offer Guarantee (JOG).

Watermark Grievance Settlement

\$500 one-time bonus to all active employees on payroll the date of ratification AND the date of the payout. Payment will be made within 30 days of ratification.

Labor Advisory Forum

Maintained quarterly face to face meetings, with meetings being held 2 in Dallas / 2 in Atlanta to ensure company leadership easier access to attend meetings.

Title Changes – Minnesota

Credit Representatives will be changed to Account Representative moving from wage table 10 to wage table 11 (from \$1347 to \$1441 per week = 6.97% wage increase at top pay before the 2026 GWI).

Teleconference Specialists already on loan and trained to do Collections work will change to the title of Account Representative wage table 11 and moved to collections via Article 16.

The remaining Teleconference Specialists will be given an opportunity to take a Voluntary Termination Package prior to being moved via Article 16 into the Account Representative position. The timing of these offers / moves will be based on business need.

Reassigned employees will be grandfathered for test qualifications for the Account Representative position, maintain existing time in title/location and the company will honor 2026 prescheduled PTO.

Effective January 2, 2027 the company will add an additional 1% at the top step of wage table 11 for wage area G1 (Michigan) & W1 (Minnesota).

Ratification Bonus

Each full-time employee (including temporary and term employees) on payroll on the date of the ratification will receive a bonus of \$1000.

USVI & Guam (the following 3 items apply to USVI/Guam only)

Additional Wage Increase

3% increase at the top step of all job titles prior to the General Wage Increase.

Article I Holidays

Added Rev Dr Martin Luther King Day as a designated holiday

Alliance Learning

The company will provide training through Alliance Learning through the expiration of the 2026 Agreement