

## Focus on Pay Practices as Compared to the Market

Boeing's salary management objective is to offer salaries that:

- Are competitive within the marketplace and equitable within the company
- Reflect the employee's contribution to the business
- Are consistent with the business environment

### Pay practices

The foundation of formulating our competitive compensation package is based on an annual independent survey of salary data collected by a worldwide consulting firm from hundreds of high-technology and aerospace companies. Total compensation must be market-competitive to both attract and retain the best talent, as well as win business in an increasingly competitive and uncertain environment.

Current Pay Practice	Technical Unit	
	Boeing	Market
<b>Overtime</b>	Paid above federal and state law requirements. Employees who work Monday through Friday, for example, would receive time and a half for overtime worked Monday through Friday, and on Saturday; employees would receive double time on Sunday and all other overtime exceeding 12 hours in a single work week.	62% of companies surveyed pay time and a half. The remainder pay time and a half or higher premium rates.
<b>Cost of Living Adjustment (COLA)</b>	Paid by Boeing as protection against hyperinflation	Our surveys found no private companies offering a COLA formula for technical employees.
<b>Incentive pay</b>	Employee Incentive Plan (EIP), Boeing employees received 41 days of extra pay during the 2005-2008 SPEEA contract	Practices vary
<b>Holidays</b>	12 days/year	12 days/year