

# I-Band Classification System

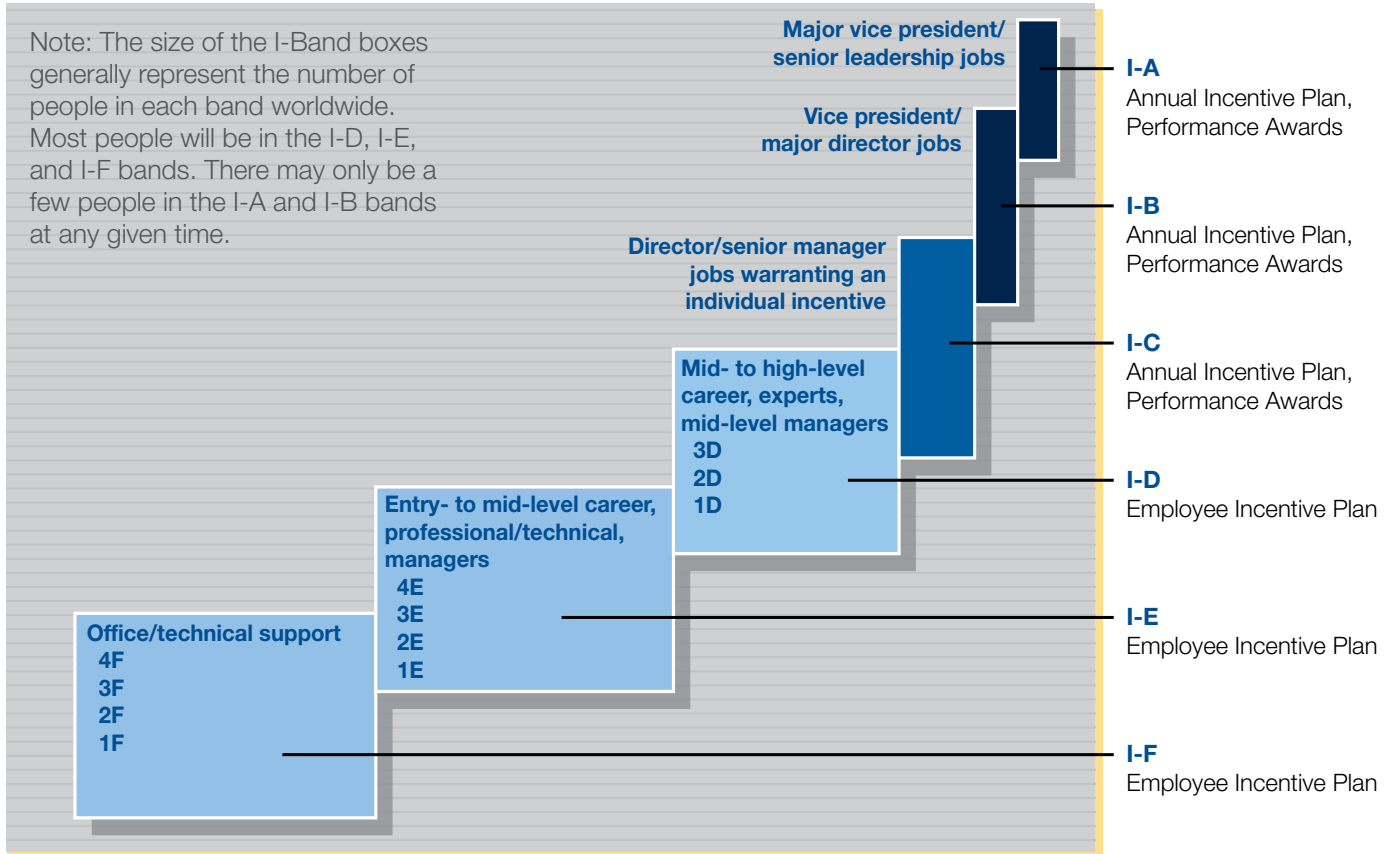
A Pay and Job Classification Structure  
for International Locally Hired Employees

This brochure summarizes our compensation policies. Every effort has been made to provide accurate information, but in the event of a conflict between this brochure and the official documentation, the terms of the official documentation will prevail. Although the Company intends to continue these compensation policies, the Company reserves the right to change, modify, amend, or terminate them at any time.

# I-Band Model and Programme Eligibility

Employees who are U.S. expatriates and some employees in certain subsidiaries will not be classified on the I-Band structure.

Note: The size of the I-Band boxes generally represent the number of people in each band worldwide. Most people will be in the I-D, I-E, and I-F bands. There may only be a few people in the I-A and I-B bands at any given time.



## The I-Band Classification System for International Locally Hired Employees

Boeing provides a competitive pay and benefits package to our international employees. The total package includes base pay, incentives, benefits, perquisites, and opportunities (such as career development and learning), as appropriate in each local market.

The I-Band job classification structure is one component of the total package (the “I” stands for International, and “Band” is short for compensation broadbands). The I-Bands’ flexible structure is designed to work in a variety of geographies with a standardised method for classifying jobs. The structure reflects locally competitive practices, as well as a consistent Companywide philosophy.



“Boeing is committed to a global presence, and supporting our international people is integral to building a strong future,” said Rick Stephens, senior vice president of Human Resources and Administration. “Our people, our processes, and our tools, like the I-Band structure described in this brochure, are integrated globally, managed regionally, and applied locally—where our employees need us.”

## How Do I-Bands Work?

There are six I-Bands: I-A, I-B, I-C, I-D, I-E, and I-F. They accommodate a range of skills at locations with only one employee or hundreds of employees. In fact, two employees in different parts of the world could have the same I-Band level but different pay packages according to local markets, education, experience, and performance. The I-Bands are broad enough so that an employee within an I-Band can progress in duties, responsibilities, and pay within that band. To provide career paths, professional growth, and promotional opportunities, we have identified sublevels for I-Bands D, E, and F. The sublevels use clear evaluation factors so that the correct sublevel within an I-Band can be matched to a specific position description.

### I-Bands include three core elements:

- Base pay guidelines that recognise individual competencies, knowledge, experience, and sustained performance.
- Annual incentive opportunities that recognise specific short-term objectives and results at the corporate, business unit, and individual levels. Employees are eligible for either:
  - An *Annual Incentive* that provides an opportunity for eligible employees to earn an incentive based on the Company’s yearly economic profit performance, as well as individual performance; *or*
  - The *Employee Incentive Plan* (EIP) that provides eligible employees with a cash award opportunity designed to promote customer-focused solutions and maximise annual economic profit.
- Long-term incentives for I-A, I-B, and I-C employees that recognise impact level, commitment, and corporate success in creating shareholder value. *Performance Awards* are conditional grants that vest based upon the achievement of certain internal financial goals over a rolling three-year performance period.