

## **Employee Incentive Plan to deliver 7 days of additional pay**

On Feb. 18, approximately 114,000 eligible current and former employees worldwide will begin receiving a 2009 Employee Incentive Plan award of up to seven days of additional pay based on company performance last year.

“While we encountered a variety of challenges in 2009 that affected our overall financial results, our core operating performance remained strong thanks to employees’ continued focus on first-time quality, productivity and support for our customers,” Chairman, President and CEO Jim McNerney said. “This EIP award recognizes and rewards those contributions and the part they played in strengthening our company during difficult times.”

McNerney stressed the importance of keeping the focus on first-time quality and productivity improvements in 2010. “Many of the market and development program pressures we faced in 2009 will continue through 2010,” he said. “That means we need to keep driving Lean+ improvements and pursuing first-time quality to free up cash for investing in our future. Our goal is to emerge from this challenging period stronger and more competitive, and positioned to grow faster than our competitors when our markets recover.”

The EIP award is one of several ways Boeing recognizes employees for their effort, commitment and dedication to the company’s performance. Boeing offers performance-based incentive plans like EIP as a way to provide employees the opportunity to share in the company’s success.

The full 7 days’ pay is available to an employee who was eligible to participate in the EIP for all of 2009. Employees who were eligible for only part of the year will receive prorated awards of less than 7 days’ pay. Individual statements will be available for viewing to most participants on TotalAccess beginning Feb. 17. Most subsidiary employees will receive their EIP information from their local offices.

With the 2009 award, EIP will have paid out up to 103 total days of additional incentive pay to eligible employees since it began in 2000.

### **How EIP is figured**

Annual EIP awards are approved by the Compensation Committee of the Boeing Board of Directors based on the company’s performance relative to its annual business-plan target for economic profit. The committee, composed of independent directors, has discretion in considering or excluding items that were of a non-recurring nature and not reflective of the company’s core operating performance.

In other words, the award is determined by how well we executed our business in a given year.

Economic profit is the standard metric Boeing uses to measure its overall financial performance. It is calculated by subtracting inventory and equipment costs needed to support the business from the Company's net operating profit after taxes. Decisions and events that affect the Company's revenues, costs, or use of assets, affect economic profit.

According to EIP guidelines:

- If target minimums are not met, no award will be made.
- Achieving economic profit levels below the operating plan goal but above the target minimum can result in between 1 and 9 days of extra pay for employees who are EIP eligible for the entire year.
- Meeting the annual operating plan target for economic profit will result in 10 days of extra pay for employees who are EIP eligible for the entire year.
- Exceeding the target can result in up to 20 days of extra pay for employees who are EIP eligible for the entire year.

Employees who were EIP eligible for only part of the year will receive a prorated award. This includes those who terminated employment as a result of retirement, layoff, disability or death, or who spent part of the year in an ineligible employee population.

### **More information**

Additional information about the EIP is available to Boeing employees from several sources:

1. EIP eligible employees have a direct link to EIP in Boeing TotalAccess on the MyBoeing employee portal at <https://my.boeing.com> .
  - U.S.-based employees will find it under "My Pay & Incentives" in their TotalAccess Menu.
  - International locally hired employees will find it under "My Pay & Benefits" in their TotalAccess Menu.

2. The [EIP Web site](#)

EIP-eligible employees of subsidiaries can contact their local Human Resources representatives or go to their internal Web site for EIP information.