



## **Compensation Committee Charter**

*December 12, 2011*

### **Purpose**

The Compensation Committee (the "Committee") is established by the Board of Directors (the "Board") of The Boeing Company (the "Company") for the primary purpose of establishing and overseeing the Company's executive and equity compensation programs.

### **Membership -- Qualifications, Election and Removal**

The Committee shall consist of three or more directors. Each member shall be independent as defined by Boeing's Director Independence Standards and shall satisfy the independence requirements of the New York Stock Exchange. The Chairman and the other members of the Committee shall be elected annually by the Board, upon the recommendation of the Governance, Organization and Nominating Committee, and the Board may remove one or more directors from the Committee at any time in its discretion.

### **Responsibilities**

The Committee's responsibilities include the following:

1. Subject to the Company's By-Laws, annually review and approve, either as a Committee or together with the other independent directors as directed by the Board, the individual elements of total compensation for the Chief Executive Officer ("CEO") and other elected corporate officers including base salary, incentive awards, equity-based awards, and any other long-term incentive awards.
2. Annually, and as appropriate, review and approve either as a Committee or together with the other independent directors as directed by the Board, the following as they affect the CEO and other elected corporate officers: any employment, severance or change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits.
3. Annually, and as appropriate, review and approve either as a Committee or together with the other independent directors as directed by the Board, any special or supplemental compensation and benefits for the CEO and the elected corporate officers and persons who formerly served in such positions, including supplemental retirement benefits and the perquisites provided to them during and after employment.
4. Review and approve corporate goals and objectives relevant to CEO compensation and evaluate the CEO's performance in light of those goals and objectives (in each case, together with the Governance, Organization and Nominating Committee), and together with the other independent directors, determine and approve the CEO's compensation based on this evaluation.
5. Review periodic reports on the Company's compensation programs as they affect all employees, including management's assessments as to whether risks arising from such programs are reasonably likely to have a material adverse effect on the Company.

6. Make changes to compensation plans within the scope of the Committee's authority to amend such plans, report to the Board regarding such changes as appropriate and recommend additions or deletions to current executive compensation plans to the extent appropriate for Board action.
7. Prepare an annual Compensation Committee Report as required by Securities and Exchange Commission rules to be included in the Company's proxy statement or annual report on Form 10-K stating that the Committee has reviewed and discussed the Compensation Discussion and Analysis ("CD&A") with management and based on the review and discussions, the Committee recommended to the Board that the CD&A be included in the Company's annual report on Form 10-K or, as applicable, the Company's proxy statement.
8. Review the Company's incentive compensation and other equity-based plans and recommend changes to such plans to the Board when necessary. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.
9. Oversee Company compliance with NYSE rules with respect to shareholder approval of equity compensation plans.
10. Oversee Company compliance with all applicable laws affecting employee compensation, including the Sarbanes-Oxley Act of 2002 relating to 401(k) plans and loans to directors and corporate officers.
11. Review and approve stock ownership requirements applicable to the CEO and other senior executives, review on an annual basis compliance with such stock ownership requirements and make recommendations as appropriate.
12. Conduct an annual self-evaluation of the Committee.
13. Periodically assess the adequacy of and need for additional continuing director education programs relevant to the Committee's responsibilities.
14. Perform such other duties as may be delegated from time to time by the Board.

### **Meetings**

The Committee meets in conjunction with the regular Board meetings and otherwise from time to time at the call of its Chairman. The Committee meets in executive session as it deems necessary or appropriate. The results of Committee meetings and other actions of the Committee shall be reported to the full Board. The Committee may invite to its meetings any member of management, including the CEO, and such other persons as it deems appropriate in order to carry out its duties and responsibilities.

### **Quorum and Actions of Committee**

A majority of the members of the Committee shall constitute a quorum. The Committee shall act only by (1) the affirmative vote of the majority of members present at a meeting, provided that any such action shall require the affirmative vote of at least two committee members, or (2) unanimous written consent in lieu of a meeting.

### **Authority to Retain Experts**

The Committee has the authority to retain or obtain advice and assistance from such legal, compensation, accounting or other advisors that it deems appropriate in its sole discretion to assist in the performance of its duties and responsibilities. The Company shall provide

appropriate funding, as determined by the Committee, for payment of compensation to such advisors. If the Committee enlists the services of a consultant to assist in the evaluation of CEO or senior executive compensation, the Committee has sole authority to retain and terminate the consulting firm, including sole authority to approve the firm's fees and other retention terms.

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The Committee shall review and reassess the adequacy of this charter on an annual basis and recommend any proposed changes to the Board for approval.

#### **Subcommittees and Delegation**

The Committee has full authority to form and delegate authority to one or more subcommittees consisting solely of one or more members of the Committee as it deems appropriate from time to time. The Committee may delegate to the Company's CEO or any other executive officer the authority to grant equity awards to employees of the Company who are not directors or officers of the Company, on such terms and subject to such limitations as the Committee may determine in compliance with Delaware corporate law.