

# **GMIRATINGS** EXECUTIVE PAY **SCORECARD**

Data & analysis provided by GMI Ratings-The Independent Leader in Corporate Governance and ESG&A

16 Apr 2012

# **Boeing Company (The)**

**BA** NYSE

Aerospace / Defense Market Capitalization USD: \$44,843.45 mm

## **CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 1
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated.



- The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.



CEO: W. James McNerney Age: 62 CEO Since: 2005

	2009	2010	2011
Base Salary	\$1,930,000	\$1,930,000	\$1,930,000
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$4,500,300	\$4,439,000	\$8,704,300
Benefits and Perquisites	\$1,002,642	\$798,392	\$928,679
TOTAL ANNUAL COMPENSATION	\$7,432,942	\$7,167,392	\$11,562,979
Increase in Post-Retirement Benefits	\$5,738,037	\$5,972,004	\$4,555,010
Stock Option Awards	\$3,136,251	\$3,300,297	\$3,420,159
Stock Awards	\$3,136,242	\$3,300,330	\$3,420,165
TOTAL COMPENSATION	\$19,443,472	\$19,740,023	\$22,958,313
Median of Other Named Executive Officers Total Compensation	\$5,081,696	\$5,545,028	\$6,457,865
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$2,643,846	\$3,774,660	\$1,792,800
TOTAL REALIZED EQUITY COMPENSATION	\$2,643,846	\$3,774,660	\$1,792,800

Proxy Date: 16 Mar 2012 Annual Meeting Date: 30 Apr 2012 Equity Reserves: 10.25% Stock Option Run Rate: 0.76%

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### Peer Comparisons (TRBC) = Aerospace / Defense

### **Total Summary CEO Compensation**

Ticker	Company Name	2009	2010	2011	Market Cap
ВА	Boeing Company (The)	\$19,443,472	\$19,740,023	\$22,958,313	\$44,843,446,846
UTX	United Technologies Corporation	\$20,501,712	\$22,086,161	\$27,671,331	\$64,397,829,957
HON	Honeywell International Inc.	\$13,223,161	\$20,154,012	\$37,842,723	\$33,964,269,297
LMT	Lockheed Martin Corporation	\$22,996,763	\$21,897,820	\$25,369,641	\$25,389,347,160
PCP	Precision Castparts Corp.	\$7,417,002	\$10,873,091		\$22,390,227,238
GD	General Dynamics Corporation	\$22,022,139	\$13,751,115	\$16,058,080	\$21,240,354,255
GR	Goodrich Corporation	\$8,703,163	\$9,828,255		\$15,085,631,277

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

#### **Pay Peer Group**

3M, AT&T, Caterpillar, Chevron, Cisco Systems, Dell, DuPont, Exxon Mobil, Ford, General Dynamics, General Electric, Hewlett-Packard, Honeywell, IBM, Intel, Johnson & Johnson, Johnson Controls, Lockheed Martin, Northrop Grumman, Procter & Gamble, Raytheon, United Parcel Service, United Technologies, Verizon Communications.

### **Performance Peer Group**

NA

COMPENSATION COMMITTEE MEMBERS								
Director	Membership	Age	Gender	Tenure	Independence			
David L. Calhoun	Member	54	Male	3	Outside			
Kenneth M. Duberstein	Member	67	Male	15	Outside Related			
Mike Svetozar Zafirovski	Member	58	Male	8	Outside			