

BOEING CO
Form DEF 14A
March 17, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

THE BOEING COMPANY

(Name of registrant as specified in its charter)

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(1) Amount Previously Paid:

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**2017 ANNUAL MEETING
OF SHAREHOLDERS**

Monday, May 1, 2017

9:00 a.m., Central Time

The Field Museum

1400 South Lake Shore Drive

Chicago, Illinois

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Notice of 2017 Annual Meeting of Shareholders

March 17, 2017

Dear Fellow Shareholder,

You are cordially invited to attend The Boeing Company's 2017 Annual Meeting of Shareholders to be held on Monday, May 1, 2017, at 9:00 a.m., Central Time, at The Field Museum, 1400 South Lake Shore Drive, Chicago, Illinois. At the meeting, shareholders will be asked to:

elect the 13 director nominees named in the proxy statement;

approve, on an advisory basis, named executive officer compensation;

recommend the frequency of future advisory votes on named executive officer compensation;

ratify the appointment of our independent auditor for 2017; and

transact such other business, including certain shareholder proposals, as may properly come before the meeting and any postponement or adjournment thereof.

The meeting will also include a report on our operations. Shareholders of record at the close of business on March 2, 2017 are entitled to vote at the annual meeting and any postponement or adjournment thereof. Your vote is important. Please vote by internet, telephone or mail as soon as possible to ensure your vote is recorded promptly. Please also note that, if you wish to attend the meeting, you must request an admission ticket in advance. To obtain an admission ticket, please follow the instructions on page 62 of the proxy statement.

Thank you for your ongoing support of The Boeing Company.

Very truly yours,

Dennis A. Muilenburg
Chairman, President and

Chief Executive Officer

Grant M. Dixon
Vice President, Deputy General Counsel and Corporate Secretary

REVIEW THE PROXY STATEMENT AND VOTE IN ONE OF FOUR WAYS:

VIA THE INTERNET

Visit www.proxyvote.com

BY TELEPHONE

Call the telephone number on your proxy card, voting instruction form or notice

BY MAIL

Sign, date, and return your proxy card or voting instruction form

IN PERSON

Attend the annual meeting in Chicago

See page 62 for details regarding how to register in advance and obtain an admission ticket

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on May 1, 2017: This Notice of Annual Meeting and Proxy Statement and the 2016 Annual Report are available at www.proxyvote.com.

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This proxy statement is issued in connection with the solicitation of proxies by the Board of Directors of The Boeing Company for use at the 2017 Annual Meeting of Shareholders and at any adjournment or postponement thereof. On or about March 17, 2017, we will begin distributing print or electronic materials regarding the annual meeting to each shareholder entitled to vote at the meeting. Shares represented by a properly executed proxy will be voted in accordance with instructions provided by the shareholder.

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This summary sets forth certain performance highlights, as well as information contained elsewhere in this proxy statement. You should read the entire proxy statement before casting your vote.

Performance Highlights**Annual Meeting of Shareholders**

When g May 1, 2017, 9:00 a.m., Central Time

Where g The Field Museum, Chicago, Illinois

You are entitled to vote at the meeting if you were a holder of record of our common stock at the close of business on March 2, 2017. Please see page 63 for instructions on how to vote your shares. If you wish to attend the meeting in person, you must register no later than April 21, 2017 to obtain an admission ticket. You must present an admission ticket, along with government-issued photo identification, in order to attend the meeting. See page 62 for additional instructions.

Voting Recommendations of the Board

Item	Description	For	Against	Page
1	Elect directors			4
2	Approve, on an advisory basis, named executive officer compensation			23
3	Approve, on an advisory basis, the frequency of future advisory votes on named executive officer compensation	EVERY		24
		YEAR		
4	Ratify appointment of the independent auditor			53
5	Shareholder proposal additional report on lobbying activities			56
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PROXY SUMMARY

Director Nominees

This year's Board nominees include one new director Robert Bradway, Chairman and CEO of Amgen Inc. Since August 2015, three independent directors have joined the Board, reflecting our ongoing board refreshment strategy and further strengthening and diversifying the skills and experiences of the Board. Each director nominee is listed below, and you can find additional information under Election of Directors (Item 1) beginning on page 4.

Director				
Name	Age	Since	Professional Background	Board Committees
Robert A. Bradway	54	2016	Chairman & CEO, Amgen	Audit, Finance
David L. Calhoun	59	2009	Senior Managing Director, Blackstone Group; Former Chairman & CEO, Nielsen	Compensation, GON
Arthur D. Collins, Jr.	69	2007	Senior Advisor, Oak Hill Capital Partners; Former Chairman & CEO, Medtronic	Compensation, GON
Kenneth M. Duberstein	72	1997	Chairman & CEO, The Duberstein Group;	Compensation, GON
			Former White House Chief of Staff	
Edmund P. Giambastiani, Jr.	68	2009	Seventh Vice Chairman of the U.S. Joint Chiefs of Staff; Former NATO Supreme Allied Commander Transformation and Former Commander, U.S. Joint Forces Command	Audit, Finance, Special Programs
Lynn J. Good	57	2015	Chairman, President & CEO, Duke Energy	Audit, Finance
Lawrence W. Kellner	58	2011	President, Emerald Creek Group;	Audit, Finance
			Former Chairman & CEO, Continental Airlines	
Edward M. Liddy	71	2010	Former Chairman & CEO, Allstate	Audit, Finance
Dennis A. Muilenburg	53	2015	Chairman, President & CEO, Boeing	Special Programs
Susan C. Schwab	61	2010	Professor, University of Maryland School of Public Policy; Former U.S. Trade Representative	Audit, Finance
Randall L. Stephenson	56	2016	Chairman & CEO, AT&T	Audit, Finance,
				Special Programs
Ronald A. Williams	67	2010	Former Chairman & CEO, Aetna	Compensation, GON, Special Programs
Mike S. Zafirovski	63	2004	Executive Advisor, Blackstone Group; Former President & CEO, Nortel	Compensation, GON

Key Features of Our Executive Compensation Program

Pay-for-performance strategy aligns executive compensation with execution of business strategy (page 26)

Incentive pay programs feature multiple performance metrics (page 28)

Approximately 89% of target CEO pay in 2016 was variable (page 31)

No accelerated vesting of equity awards in connection with a change in control (page 34)

Rigorous stock ownership requirements for officers and directors (pages 37 and 20)

No pledging or hedging of Boeing stock by officers or directors (page 38)

Robust clawback policy that permits recoupment of incentive compensation in certain cases of misconduct even absent a financial restatement (page 38)

Stock holding requirements for executive officers (page 37)

No employment or change-in-control agreements

Governance Highlights

Three new independent directors in last 18 months (page 4)

Majority voting for all directors, each of whom is elected for a one-year term

Shareholders meeting certain requirements may nominate directors and have such nominees included in the proxy statement, known as proxy access (page 17)

Extensive Board oversight of risk management, with particular focus on Boeing's key strategic, operational, and compliance risks (page 16)

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PROXY SUMMARY

Strong independent Lead Director with broad responsibilities and significant governance duties (page 13)

Executive sessions of independent directors conducted after every regularly scheduled Board meeting

Board leadership structure re-evaluated annually (page 13)

Robust succession planning process for senior leadership positions

Strict limits on director service on outside boards (page 12)

Comprehensive annual self-assessments of Board and its committees

No supermajority voting

Shareholder right to call special meetings

Publicly disclosed policies and practices regarding political advocacy

Shareholder Outreach

We meet with many of our shareholders throughout the year to ensure that management and the Board are focused on, and responsive to, investor priorities and concerns. For additional information, see [Shareholder Outreach](#) on page 17.

Environmental Stewardship and Corporate Citizenship

Boeing's commitment to innovation extends to how we care for our environment and engage with the communities in which we operate. See [Environmental Stewardship and Corporate Citizenship](#) on page 17 for additional information.

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ELECTION OF DIRECTORS (ITEM 1)

PROPOSAL SUMMARY

Shareholders are being asked to elect the 13 director nominees below to serve until the 2018 annual meeting of shareholders.

The Board recommends that you vote FOR each of the 13 director nominees.

Board Composition and Engagement

Engagement

Significant involvement in developing Boeing's business strategy

Executive session of independent directors after every Board meeting

>98% average meeting attendance

Extensive role in succession planning, including in-depth meetings between individual directors and senior executives at Boeing locations

Comprehensive oversight of strategic, operational, and compliance risks

12 of 13 Independent

Skills and Experience Highlights

Fortune 500 Board Experience	Current or Former CEO of Global Public Company	Senior U.S. Government Experience
12	10	3
Complex Manufacturing Expertise	Technology/Innovation Leadership	Fortune 500 Former CFO
6	7	5

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ELECTION OF DIRECTORS (ITEM 1)

Director Nominees

For information on the factors the Board considers when evaluating candidates for nomination, see [Board Composition](#) on page 12. Mr. Bradway, who joined the Board within the last year, was referred to the Governance, Organization and Nominating, or GON, Committee by a third-party search firm. Set forth below are the ages, principal occupations, directorships within the past five years, and other details about each nominee.

ROBERT A. BRADWAY

Chairman & CEO,

Amgen Inc.