

BOEING CO  
Form DEF 14A  
March 26, 2004  
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**SCHEDULE 14A INFORMATION**

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**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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March 26, 2004

Dear Shareholder:

I am pleased to invite you to attend the Company's 2004 Annual Meeting of Shareholders, which will be held on Monday, May 3, 2004, beginning at 10:00 a.m., Central time, in Chicago, Illinois. We will meet in the Grand Ballroom of the Renaissance Chicago Hotel, which is located at One West Wacker Drive in Chicago.

Activities at the Annual Meeting will be limited to the items of business listed in the Notice of Annual Meeting of Shareholders. The following items of business will be presented:

- (1) election of four directors;
- (2) vote on a management proposal to approve amendments to the Company's Certificate of Incorporation and By-Laws to eliminate certain supermajority vote requirements;
- (3) advisory vote on the appointment of the Company's independent auditors; and
- (4) vote on seven shareholder proposals, if they are presented.

Your Board of Directors recommends a vote for the election of the nominees for director, the management proposal and the advisory vote on the appointment of the Company's independent auditors. The Board recommends a vote against each of the shareholder proposals. We will also report on the activities of the Company. You will have an opportunity to submit questions or comments on matters of interest to shareholders generally.

Your vote is important. Whether or not you plan to attend the Annual Meeting in person, I urge you to complete the accompanying proxy card and return it promptly.

Very truly yours,

Harry C. Stonecipher

*President and Chief Executive Officer*

**REQUEST ELECTRONIC DELIVERY OF PROXY DOCUMENTS.** Shareholders may elect to receive future distributions of proxy statements and annual reports by e-mail. To take advantage of this service, please see your proxy card and page 50 of this proxy statement for further information.

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**THE BOEING COMPANY**

**Boeing World Headquarters**

**100 North Riverside Plaza, Chicago, Illinois 60606**

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

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<b>TIME</b>	Monday, May 3, 2004, 10:00 a.m., Central time. Registration will begin at 8:30 a.m. The Annual Meeting will begin at 10:00 a.m. and conclude at 12:00 p.m.
<b>PLACE</b>	The Renaissance Chicago Hotel, One West Wacker Drive, Chicago, Illinois 60616-9985.
<b>AGENDA</b>	<ol style="list-style-type: none"><li>1. Elect four persons to the Board of Directors for three-year terms expiring in 2007.</li><li>2. Vote on a management proposal to approve amendments to the Certificate of Incorporation and By-Laws to eliminate certain supermajority vote requirements.</li><li>3. Cast an advisory vote on the appointment of Deloitte &amp; Touche LLP as independent auditors.</li><li>4. Vote on shareholder proposal on military contracts.</li><li>5. Vote on shareholder proposal on human rights policies.</li><li>6. Vote on shareholder proposal on declassification of the board of directors.</li><li>7. Vote on shareholder proposal on simple majority vote.</li><li>8. Vote on shareholder proposal on severance agreements.</li><li>9. Vote on shareholder proposal on retention of stock obtained through stock options.</li><li>10. Vote on shareholder proposal on pension plans.</li><li>11. Transact any other business properly brought before the meeting.</li></ol>
<b>RECORD DATE</b>	You can vote if you were a shareholder at the close of business on March 5, 2004.
<b>MEETING ADMISSION</b>	<p><i>Registered Shareholders.</i> An admission ticket is attached to your proxy card. <b>Please bring the admission ticket with you to the meeting.</b></p> <p><i>Beneficial Shareholders.</i> Shareholders whose stock is held by a broker or bank (often referred to as holding in street name ) should come to the beneficial shareholders table. <i>In order to be admitted, beneficial shareholders must bring account statements or letters from their brokers or banks showing that they owned Boeing stock as of March 5, 2004. In order to vote at the meeting, beneficial shareholders must bring legal proxies, which they can obtain only from their brokers or banks.</i></p> <p>In all cases, shareholders must bring photo identification to the meeting for admission.</p>
<b>VOTING BY PROXY</b>	<p><i>Registered Shareholders and Participants in Savings Plans.</i> Please vote:</p> <ol style="list-style-type: none"><li>1. By Toll-Free Telephone: Call 1-877-PRX-VOTE (1-877-779-8683) to vote by phone;</li><li>2. By Internet: Go to <a href="http://www.eproxyvote.com/ba">www.eproxyvote.com/ba</a> to vote on the Internet; or</li><li>3. By Mail: Mark, sign, date and promptly mail the enclosed proxy card in the postage-paid envelope. Any proxy may be revoked at any time prior to its exercise at the meeting.</li></ol> <p><i>Beneficial Shareholders.</i> If your shares are held in the name of a bank, broker or other holder of record, follow the voting instructions you receive from the holder of record to vote your shares.</p>

This proxy statement is issued in connection with the solicitation of a proxy on the enclosed form by the Board of Directors of The Boeing Company for use at the Company's 2004 Annual Meeting of Shareholders. We will begin distributing this proxy statement, a form of proxy and the 2003 Annual Report on or about March 26, 2004.

By Order of the Board of Directors

James C. Johnson

*Corporate Secretary*

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**THE BOEING COMPANY**  
**PROXY STATEMENT**  
**ANNUAL MEETING OF SHAREHOLDERS**  
**Monday, May 3, 2004**

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**PROXIES AND VOTING AT THE MEETING**

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Holders of Boeing stock at the close of business on March 5, 2004, are entitled to receive notice of the Annual Meeting and to vote their shares at the Annual Meeting. As of that date, there were approximately 842,989,568 shares of common stock outstanding and approximately 801,633,363 of those shares were eligible to vote. (The shares held in the ShareValue Trust for the Company's ShareValue Plan are not entitled to vote, and shares issued in exchange for shares of Rockwell International Corporation or McDonnell Douglas Corporation that have not been exchanged are not eligible to vote.) There were 135,229 registered shareholders on the record date, and approximately 456,000 beneficial shareholders whose shares were held in street name through a broker or bank.

Shares represented by a properly executed proxy will be voted at the Annual Meeting and, when instructions are given by the shareholder, will be voted in accordance with those instructions. If a proxy is executed and returned but no instructions are given, the shares will be voted according to the recommendations of the Board of Directors. The Board of Directors recommends a vote FOR Items 1 through 3 and AGAINST Items 4 through 10.

The Board is not aware of any business that may properly be brought before the Annual Meeting other than those matters described in this proxy statement. However, the enclosed proxy card gives discretionary authority to persons named on the proxy card to vote the shares in their best judgment if any matters other than those shown on the proxy card are properly brought before the Annual Meeting.

**How to Vote**

Your vote is important. You can save the Company the expense of a second mailing by voting promptly. Registered shareholders can vote by telephone, the Internet or by mail, as described below. If you are a beneficial shareholder, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see what options are available to you.

Registered shareholders and savings plan participants may cast their vote by:

- (1) Signing, dating and promptly mailing the proxy card in the enclosed postage-paid envelope;
- (2) Accessing the Internet website [www.eproxyvote.com/ba](http://www.eproxyvote.com/ba) and voting by following the instructions provided on the website; or

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- (3) Calling 1-877-PRX-VOTE (1-877-779-8683) and voting by following the instructions provided on the phone line.

In order to vote via telephone or on the Internet, please have in front of you either your proxy card or, if you have consented to receive your materials electronically, your e-mail notification advising that materials are available on-line. A phone number and a website are contained on each of the documents. Upon entering either the phone number or the Internet address, you will be instructed on how to proceed.

Proxy cards will be sent to those persons having interests in Boeing stock through participation in the stock funds of the following Company benefit plans ( Plans ):

1. *The Boeing Company Voluntary Investment Plan*
2. *BAO Voluntary Savings Plan*
3. *Employee Payroll Stock Ownership Plan of McDonnell Douglas Corporation*
4. *Rockwell Automation Retirement Savings Plan for Salaried Employees*
5. *Rockwell Automation Retirement Savings Plan for Hourly Employees*
6. *Rockwell Automation Retirement Savings Plan for Certain Employees*

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Plans 1 through 3 listed above are sponsored by Boeing and its subsidiaries for their employees. Plans 4 through 6 listed above are sponsored by Rockwell International Corporation for its employees (the Rockwell Plans ), and the Company has no control over them and no responsibility for their administration.

Shares of Boeing stock held in the Plans ( Plan Shares ) are registered in the names of the trustees. The participants do not have actual ownership of the Plan Shares and may not vote the Plan Shares directly at the Annual Meeting. However, Plan participants are allocated interests in the shares and may instruct the trustees how to vote such interests. The number of shares of Boeing stock shown on your proxy card includes all registered shares and Plan Shares. Plan Shares can be voted only by submitting proxy instructions, whether by telephone, the Internet or mailing in the printed proxy card; they cannot be voted at the Annual Meeting and prior voting instructions cannot be revoked at the Annual Meeting. If you are a Plan participant, your proxy instructions must be received by the Plan trustee no later than midnight on Wednesday, April 28, 2004.

The trustees will cast Plan Share votes according to the participants' instructions. If no instructions are received, the trustee will vote the participants' Plan Shares in accordance with the terms of the Plan, which are as follows: for plans 1 through 3 listed above, shares will be voted in the same manner and proportion as the shares with respect to which voting instructions have been received, whereas the trustee for the Rockwell Plans will vote in its own discretion.

## **Revocation of Proxies**

A registered shareholder may revoke a properly executed proxy at any time before its exercise by:

Delivering a written notice of revocation to the Corporate Secretary;

Delivering another proxy that is dated later than the original proxy;

Attending the Annual Meeting and giving notice of revocation to an Inspector of Election; or

Attending the Annual Meeting and voting by ballot.

Beneficial shareholders cannot revoke their proxies in person at the Annual Meeting because the actual shareholders of record, banks or brokers, will not be present. Beneficial shareholders wishing to change their votes after returning voting instructions to their bank or broker should contact the bank or broker directly.

## **Vote Required**

The presence at the Annual Meeting, in person or by duly authorized proxy, of the holders of one-third of the outstanding shares of stock entitled to vote constitutes a quorum for the transaction of business. Each share of Boeing stock entitles the holder to one vote on each matter presented for shareholder action. A plurality of votes cast is required for the election of directors. This means that the director nominee with the most votes

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for a particular slot is elected to that slot. Only votes for affect the outcome. Checking the box on the proxy card that withholds authority to vote for a nominee is the equivalent of abstaining. Abstentions are not counted for the purpose of election of directors.

With respect to each of the proposals other than the election of directors (i.e., Items 2-10), shareholders may vote in favor of the proposal or against the proposal, or abstain from voting. The affirmative vote of holders of record of a majority of the outstanding shares of the Company entitled to vote for the election of directors is required for the approval of Item 2. As for Items 3-10, the affirmative vote of the majority of shares present in person or by proxy and entitled to vote at the Annual Meeting is required for approval of those proposals. A shareholder who signs and submits a ballot or proxy is present, so an abstention will have the same effect as a vote against those proposals.

Under New York Stock Exchange ( NYSE ) rules, if your broker holds your shares in its name, the broker is permitted to vote your shares on the election of directors and on Item 3, even if it does not receive voting instructions from you. Items 2 and 4 through 10 of this proxy statement are non-discretionary, meaning that brokers who hold shares for the accounts of their clients and who have not received instructions from their clients do not have discretion to vote on those items. When a broker votes a client's shares on some but not all of the proposals at the Annual Meeting, the missing votes are referred to as broker non-votes. Those shares will be included in determining the presence of a quorum at the Annual Meeting but are not considered present for purposes of voting on the non-discretionary items.

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### **Expenses of Solicitation**

All expenses for soliciting proxies will be paid by the Company, which has retained D.F. King & Co., Inc., 48 Wall Street, New York, New York 10005, to aid in the solicitation of proxies, for fees of approximately \$15,000, plus additional expenses of approximately \$95,000. Proxies may be solicited by personal interview, mail and telephone. D.F. King & Co., Inc. has contacted brokerage houses, other custodians and nominees to ask whether other persons are the beneficial owners of the shares they hold in street name and, if that is the case, will supply additional copies of the proxy materials for distribution to such beneficial owners. The Company will reimburse such parties for their reasonable expenses in sending proxy materials to the beneficial owners of the shares.

### **Voting Results**

The Company will announce preliminary voting results at the Annual Meeting. Final official results will be printed in the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2004 (available at [www.SEC.gov](http://www.SEC.gov) and [www.boeing.com](http://www.boeing.com)).

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## **ITEM 1. ELECTION OF DIRECTORS**

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### **THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS**

#### **A VOTE FOR ALL NOMINEES.**

The Board of Directors of the Company, pursuant to the By-Laws, has determined that the number of directors of the Company shall be 11, which number will be reduced to 10 upon the retirement of Paul E. Gray. Board policy requires each nonemployee director to resign at the annual meeting following that director's 72nd birthday. Dr. Gray has announced his intention to retire from the Board at the Annual Meeting. The Board is divided into three classes, each of which is composed of approximately one-third of the directors. Directors are elected by a plurality of the votes cast. Except as otherwise specified in a proxy, proxies will be voted for these nominees.

The Governance, Organization and Nominating Committee of the Board of Directors identifies and recommends to the Board the nominees to fill any vacancies on the Board and nominees to be proposed by the Board as candidates for election as directors.

Each nominee elected as a director will continue in office until his or her successor has been elected, or until his or her death, resignation or retirement. If any nominee is unable to serve, proxies will be voted for the election of such person as shall be designated by the Board, unless the Board chooses to reduce the number of directors serving on the Board.

The Board of Directors has proposed the following four nominees for election as directors at the Annual Meeting with terms expiring in 2007. Linda Z. Cook, who was named a director by the Board effective December 1, 2003, is standing for election for the first time. Ms. Cook was selected to serve on the Board based upon the recommendation by the Governance, Organization and Nominating Committee. The Governance, Organization and Nominating Committee enlisted the services of a third-party search firm to identify Ms. Cook as a potential board candidate.

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The Board has determined that each of the nominees for director and continuing directors, except Mr. Stonecipher, the Company's President and Chief Executive Officer, meets the criteria for independence prescribed by the NYSE listing standards.

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<b>Name</b>	<b>Principal Occupation or Employment/Other Business Affiliations</b>	<b>Age</b>	<b>Director Since</b>
John H. Biggs	<i>Former Chairman and Chief Executive Officer, Teachers Insurance and Annuity Association-College Retirement Equities Fund ( TIAA-CREF ).</i> Mr. Biggs served as Chairman and Chief Executive Officer of TIAA-CREF (national teachers pension fund) from January 1993 until November 2002. He is also a director of J.P. Morgan Chase & Co. He is a trustee of Washington University in St. Louis and an at-large trustee of the International Accounting Standards Board Foundation. He is Chair of the Finance Committee and a member of the Audit Committee.	67	1997
John E. Bryson	<i>Chairman of the Board, President and Chief Executive Officer, Edison International.</i> Mr. Bryson has served as Chairman of the Board, President and Chief Executive Officer of Edison International (electric power generator, distributor and structured finance provider), the parent company of Southern California Edison, since 1990. He is a director of The Walt Disney Company and Western Asset Funds, Inc. (and related fixed income funds). He is a member of the Compensation Committee and the Governance, Organization and Nominating Committee.	60	1995
Linda Z. Cook	<i>President and Chief Executive Officer, Shell Canada Limited.</i> Ms. Cook was appointed President and Chief Executive Officer and a member of the Board of Directors of Shell Canada Limited (integrated petroleum) on August 1, 2003. She served as Chief Executive Officer for Shell Gas & Power from January 2000 through July 2003. She previously served as Director, Strategy & Business Development on the Shell Exploration & Production Global Executive Committee based in The Hague. Ms. Cook is a member of the Society of Petroleum Engineers, the Harvard School of Government Dean's Council and the Canadian Council of Chief Executives. She is a member of the Audit Committee and the Finance Committee.	45	2003
Rozanne L. Ridgway	<i>Former Assistant Secretary of State for Europe and Canada.</i> Ms. Ridgway served 32 years with the U.S. State Department, including service as Ambassador to the German Democratic Republic and to Finland, and, from 1985 until her retirement in 1989, as Assistant Secretary of State for Europe and Canada. She is also a director of Emerson Electric Company, 3M Company, Sara Lee Corporation, New Perspective Fund and Manpower, Inc. She is the Chair of the Governance, Organization and Nominating Committee and a member of the Compensation Committee.	68	1992

**CONTINUING DIRECTORS WHOSE TERMS EXPIRE IN 2005**

<b>Name</b>	<b>Principal Occupation or Employment/Other Business Affiliations</b>	<b>Age</b>	<b>Director Since</b>
Kenneth M. Duberstein		59	1997

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*Chairman and Chief Executive Officer, The Duberstein Group.* Mr. Duberstein has served as Chairman and Chief Executive Officer of The Duberstein Group (consulting firm) since 1989. He was White House Chief of Staff in 1988 and 1989. Mr. Duberstein is also a director of ConocoPhillips, Fannie Mae, Fleming Companies, Inc. and St. Paul Companies and a governor of the American Stock Exchange and the NASD, Inc. He is Chair of the Compensation Committee and a member of the Governance, Organization and Nominating Committee.

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<b>Name</b>	<b>Principal Occupation or Employment/Other Business Affiliations</b>	<b>Age</b>	<b>Director Since</b>
W. James McNerney, Jr.	<b>Chairman and Chief Executive Officer, 3M Company.</b> Mr. McNerney has served as Chairman and Chief Executive Officer of 3M Company (diversified technology) since January 2001. Beginning in 1982, he served in management positions at General Electric Company, his most recent being President and Chief Executive Officer of GE Aircraft Engines, 1997-2000. Mr. McNerney is also a director of The Procter & Gamble Company and a member of various business and educational organizations. He is a member of the Audit Committee and the Finance Committee.	54	2001

Lewis E. Platt	<b>Non-Executive Chairman of the Board of The Boeing Company.</b> Mr. Platt was elected Non-Executive Chairman of the Board effective December 1, 2003. He served as President and Chief Executive Officer of Hewlett-Packard Company (measurement, computing and communications equipment) from November 1992 until July 1999, and as director and Chairman from September 1993 until his retirement in December 1999. In 1995, he was appointed to the Advisory Committee on Trade Policy Negotiations by President Clinton. Mr. Platt was Chief Executive Officer and a director of Kendall-Jackson Wine Estates Ltd. until June 2001. He is also a director of 7-Eleven, Inc. and serves on the Wharton School Board of Overseers and as a trustee of the David and Lucile Packard Foundation. He is a member of the Compensation Committee and the Governance, Organization and Nominating Committee.	62	1999
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**CONTINUING DIRECTORS WHOSE TERMS EXPIRE IN 2006**


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<b>Name</b>	<b>Principal Occupation or Employment/Other Business Affiliations</b>	<b>Age</b>	<b>Director Since</b>
John F. McDonnell	<b>Retired Chairman, McDonnell Douglas Corporation.</b> Mr. McDonnell served as Chairman of McDonnell Douglas Corporation (aerospace) from 1988 until its merger with Boeing in 1997, and as its Chief Executive Officer from 1988 to 1994. He is also a director of Zoltek Companies, Inc., director of BJC Healthcare and Chairman of the Board of Trustees of Washington University in St. Louis. He is a member of the Compensation Committee and the Governance, Organization and Nominating Committee.	66	1997

John M. Shalikashvili	<b>Retired Chairman of the Joint Chiefs of Staff, U.S. Department of Defense.</b> General Shalikashvili served as the 13th Chairman of the Joint Chiefs of Staff (armed forces) from 1993 to 1997. Previously, he served as Commander in Chief of all U.S. forces in Europe and as NATO's 10th Supreme Allied Commander in Europe. General Shalikashvili is a visiting professor at Stanford University's Center for International Security and Cooperation. He also serves as a director of Frank Russell Trust Company, L-3 Communications Holdings, Inc., Plug Power Inc. and United Defense Industries, Inc. He is Chair of the Audit Committee and Special Programs Committee and is a member of the Finance Committee.	67	2000
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Harry C. Stonecipher		67	1997
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***President and Chief Executive Officer of The Boeing Company.*** Mr. Stonecipher has served as Chief Executive Officer since December 1, 2003. He served as Vice Chairman of the Board of The Boeing Company from May 2001 until June 2002 and as President and Chief Operating Officer from 1997 until May 2001. He served as President and Chief Executive Officer of McDonnell Douglas Corporation (aerospace) from 1994 until its merger with Boeing in 1997. He was Chairman of the Board, President and Chief Executive Officer of Sundstrand Corporation (aerospace) from 1991 to 1994. Mr. Stonecipher is also a director of PACCAR, Inc.

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**BOARD MEMBERSHIP AND DIRECTOR INDEPENDENCE**

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The Company's business affairs are managed under the direction of the Board of Directors. Directors meet their responsibilities by participating in meetings of the Board and Board committees on which they sit, through communications with our Chief Executive Officer and other officers, by reviewing materials provided to them, and by visiting our offices and plants.

During 2003, the Board of Directors met 8 times, having 6 regular meetings and 2 special meetings, with each special meeting spanning several days. The committees of the Board of Directors held a total of 38 meetings. All directors attended 100% of the scheduled Board and committee meetings. Each director is expected to attend the Company's annual meeting of shareholders, absent a valid reason, such as a scheduling conflict. Last year, all directors serving at the time attended the annual meeting of shareholders.

The Board of Directors has adopted the following Director Independence Standards consistent with the independent director listing standards of the NYSE.

To be considered independent the Board of Directors must make an affirmative determination, by a resolution of the Board as a whole, that the director being reviewed has no material relationship with the Company other than as a director, either directly or indirectly (such as a partner, shareholder or executive officer of another entity that has a relationship with the Company). In each case, the Board broadly considers all relevant facts and circumstances.

A director will not be deemed to be independent if, within the preceding three years:

- (a) the director was employed by the Company or any of its direct or indirect subsidiaries;
- (b) an immediate family member of the director was employed by the Company as an executive officer;
- (c) the director was employed by or affiliated with the Company's current or former internal or independent auditor in a professional capacity;
- (d) an immediate family member of the director was employed by or affiliated with the Company's current or former internal or independent auditor in a professional capacity;
- (e) a director, or an immediate family member, received more than \$100,000 annually in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation, so long as such compensation is not contingent on continued service;

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(f) a director was employed as an executive officer of another company where any of the Company's current executives serve on that company's compensation committee;

(g) an immediate family member of the director was employed as an executive officer of another company where any of the Company's current executives serve on that company's compensation committee;

(h) a director was an executive officer or an employee of a company that makes payments to or receives payments from the Company for property or services in an amount that exceeds in any single fiscal year \$1,000,000 or 2% of that company's consolidated gross revenues, whichever is greater; or

(i) an immediate family member is an executive officer of a company that makes payments to or receives payments from the Company for property or services in an amount that exceeds in any single fiscal year \$1,000,000 or 2% of that company's consolidated gross revenues, whichever is greater.

An immediate family member includes a director's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) who shares such director's home.

A director's service as an executive officer of a not-for-profit organization will not impair his or her independence if, within the preceding three years, the Company's charitable contributions to the organization in any single fiscal year, in the aggregate, do not exceed the greater of \$1,000,000 or 2% of that organization's latest publicly available consolidated gross revenues. The Board of Directors will review all commercial and charitable relationships of directors on an annual basis.

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The mere ownership of a significant amount of stock is not in and of itself a bar to an independence determination but rather one factor to consider.

Whether directors meet these categorical independence tests will be reviewed and will be made public annually prior to their standing for re-election to the Board of Directors. For relationships not covered by these guidelines, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who themselves satisfy the independence guidelines.

**COMMITTEE MEMBERSHIP**

Pursuant to the By-Laws, the Board of Directors has established the following standing committees: Audit, Compensation, Governance, Organization and Nominating, Finance, and Special Programs. All of the members of each of these standing committees meet the criteria for independence prescribed by the NYSE. Membership of the standing committees is determined at the organizational meeting of the Board in conjunction with the annual meeting. Adjustments to committee assignments may be made as of that date.

Membership of each committee is as follows, with committee chairpersons listed first.

<b>Audit</b>	<b>Compensation</b>	<b>Governance, Organization and Nominating</b>
John M. Shalikashvili	Kenneth M. Duberstein	Rozanne L. Ridgway
John H. Biggs	John E. Bryson	John E. Bryson
Linda Z. Cook	*Paul E. Gray	Kenneth M. Duberstein
W. James McNerney, Jr.	John F. McDonnell	*Paul E. Gray
	Lewis E. Platt	John F. McDonnell
	Rozanne L. Ridgway	Lewis E. Platt
<b>Finance</b>	<b>Special Programs</b>	
John H. Biggs	John M. Shalikashvili	
Linda Z. Cook	*Paul E. Gray	
W. James McNerney, Jr.		
John M. Shalikashvili		

\* After more than 13 years of valued service as a director, Dr. Gray will retire at the Annual Meeting.

The Board of Directors has adopted a written charter for each committee. Shareholders may access a copy of each committee's charter on the Company's website at [www.boeing.com/corp\\_gov/flash.html](http://www.boeing.com/corp_gov/flash.html). In addition, a copy of the Audit Committee Charter is attached to this proxy statement as Appendix B, as required by the proxy rules. A summary of the duties and responsibilities of each committee is set forth below.

**Audit Committee**