

Annual Disclosure of Fee and Investment Information

The Boeing Company Voluntary Investment Plan
2017 Edition

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Introduction

Participating in The Boeing Company Voluntary Investment Plan (VIP) may be one of the best ways to save for your financial future. The assets you could accumulate through your VIP account may be one of your primary sources of income in retirement, so you'll want to make the most of what the VIP has to offer.

It is important that you understand the benefits available to you, your rights and responsibilities as a participant, the investment choices available, and the fees associated with your participation in the VIP. These fees include any fees you may incur directly, such as fees for certain transactions, and any indirect fees associated with the investment choices you select for your account. Fees are only one of several factors that VIP participants and beneficiaries should consider when making investment decisions.

This Annual Disclosure of Fee and Investment Information is being provided to you as required by Federal law because you are or will be eligible to participate or have a balance in the VIP and have the right to direct the investment of your account in the VIP. If there is any conflict between this document and the official VIP plan document, the official plan document will govern.

This document, along with the educational information, tools, and services available through the My Retirement Income website are intended to help you make well-informed decisions about how to invest your VIP account balance. See the My Retirement Income website on TotalAccess for updates and the latest information. Please read all of these materials carefully and periodically as you continue to review and assess your investment of your VIP account.

General Information Regarding VIP Investment Elections

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SECTION

Your Right to Direct the Investments of Your VIP Account

You have the right to choose how to invest your account in the VIP among the investment funds that the VIP offers. You may direct your investments as follows:

- **On the Boeing Web:** Log on to *my.boeing.com*. Visit TotalAccess > Total Compensation > My Retirement Benefits > Manage My Retirement Income.
- **On the World Wide Web:** Log on to *www.boeing.com/express* using your BEMSID and your Boeing TotalAccess password. Visit Total Compensation > My Retirement Benefits > Manage My Retirement Income.
- **By Telephone:** You may also direct your investments by calling Boeing TotalAccess at 1-866-473-2016. Enter your BEMSID and your Boeing TotalAccess password and request “Savings” when prompted. Deaf or hard of hearing callers should use the relay service offered by their phone carrier.

You may change how your current balance is invested as well as the investment direction for your future contributions at any time, except as noted below with respect to applicable insider trading rules. Investment elections that you complete before 4 p.m. Eastern time will be effective the same day if it is a business day. (A “business day” is a day on which the New York Stock Exchange [NYSE] is open.) Elections that you complete on a nonbusiness day and elections made on or after 4 p.m. Eastern time are effective the following business day.

Your Investment Options

Refer to the table in Section 3, “Comparative Investment Fund Table,” for a list of the investment funds available to VIP participants. The funds are subject to change from time to time.

Accessing Your VIP Account and Directing Your Investments

You may access your account through the My Retirement Income website. Quarterly and annual benefit statements are available in the “Account Statements” section of your account on the My Retirement Income home page. You may obtain a customized statement through the My Retirement Income website or request a quarterly or annual benefit statement to be mailed to you at no charge by calling TotalAccess.

Limitations on Investment Directions

Insider Trading

Insider trading rules apply to transferring funds into or out of the Boeing Stock Fund. This means that you cannot transfer funds into or out of the Boeing Stock Fund if you are aware of material, nonpublic information about Boeing. Certain employees may be subject to additional restrictions. This includes electing or ceasing participation in the automatic rebalancing feature of the VIP. It also includes enrolling in the Professional Management (PM) Program when you have automatic rebalancing in place or if you believe that signing up for the PM Program is likely to result in the sale of a portion of your Boeing Stock Fund while you are in possession of material, nonpublic information, either now or as Financial Engines manages your account going forward. See PRO-12, “Buying and Selling Securities — Insider Trading,” and the My Retirement Income website for more information.

Short-Term Redemption Rules

Although the VIP allows daily trading, it does not allow unlimited trading. Excessive trading by one person may hurt the other investors in a particular fund. To discourage short-term trading, which may hurt long-term fund performance, all VIP investment funds charge a 1.5 percent redemption fee on the value of units sold within 15 full calendar days of their purchase. Transfers out of a fund into another fund must be made at least 16 full calendar days after the initial transfer into the fund in order to avoid the redemption fee. Redemption fees are paid to the funds that experience short-term trading to help offset brokerage commission, market impact, and other costs associated with short-term trading.

Investment fund units purchased through investment elections for future contributions (including contributions made through automatic enrollment), loan payments, and rollover contributions will be excluded from the redemption fee calculation and will not be counted as purchases for the purpose of applying the redemption fee. This restriction also has no impact on transactions such as withdrawals, distributions, or new loans. Units sold through these methods are excluded from the redemption fee calculation.

Boeing reserves the right to further limit your trading if it is determined to be excessive.

The Boeing Stock Fund

Named Fiduciary

The named fiduciary and investment manager for the Boeing Stock Fund is Evercore Trust Company, N.A. (Evercore). Evercore is responsible for deciding if the Boeing Stock Fund should remain as an investment fund under the VIP. Evercore has the authority to restrict investment in the Boeing Stock Fund and to sell or otherwise dispose of all or any portion of The Boeing Company common stock (“Boeing stock”) held in the Boeing Stock Fund (subject to any practical or legal restrictions).

Proxy Voting

You are entitled to exercise voting rights for the shares of Boeing stock allocated to your VIP account. Your allocation is a proportionate share of the Boeing stock held in the Boeing Stock Fund based on the amount of your investment in the fund. You do not have direct ownership of your allocated shares of Boeing stock; the shares are registered in the name of the VIP’s trustee and held for your benefit. If you are invested in the Boeing Stock Fund, before each shareholders meeting, you will receive a proxy statement and a form so that you may indicate how you want your allocated shares to be voted. The VIP’s trustee will vote your share allocation according to your instructions. If you do not exercise your voting rights, the trustee will vote your allocated shares in the same manner and proportion as those instructions received from other VIP participants who voted.

Tender Rights

A tender offer is an offer to buy stock, usually at a premium over the current market price. If there is a tender offer for Boeing stock, you will be notified of the terms and conditions of the offer and be given forms and instructions on how to tender, or offer, your allocated shares. The VIP’s trustee will vote the shares allocated to your account in accordance with your instructions. The trustee will reject the tender offer with regard to any shares for which instructions are not received, except as required by law.

The Importance of Diversification

To help achieve long-term retirement security, you should consider the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments may help achieve a favorable rate of return, while minimizing the overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20 percent of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your VIP account, you should take into account all your assets, including any retirement savings outside the VIP. No single approach is right for everyone because individuals differ in their financial goals, time horizons for meeting their goals, and tolerances for risk. Accordingly, you should carefully consider the rights described in this document and how these rights may affect the portion of your account balance invested in the Boeing Stock Fund, including your right to diversify the investments that you have in the Boeing Stock Fund. It also is important to periodically review your investment portfolio, your investment objectives, and the investment funds under the VIP to help ensure that your retirement savings will meet your retirement goals.

For more information on individual investing and diversification, visit www.dol.gov/ebsa/investing.html or the My Retirement Income website.

Investment Advice—Professional Management Program

The Professional Management Program is currently available to VIP participants through Financial Engines Advisors, L.L.C. This program is an optional service that provides personalized investment advice and ongoing account management for a quarterly fee that is deducted directly from your account. Additional information regarding the quarterly fee is set forth in Section 2 below.

VIP Administrative and Transaction Activity Fees

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SECTION

Plan-Wide Administrative Fees

Plan-wide administrative fees are included in the “total operating expenses” of the investment funds (see the table in Section 3 for the total operating expenses of each of the investment funds). Examples of administrative fees include recordkeeping, trust and custody, audit, and other third-party and internal administrative fees directly related to the operation of the plan and trust. This also includes fees paid to Financial Engines Advisors, L.L.C. by the VIP. Financial Engines pays certain fees to Conduent (the VIP’s recordkeeper) for assistance that Conduent provides to Financial Engines for the administration of the services Financial Engines offers to VIP participants. Boeing has negotiated with Conduent to have those fees credited back to the VIP. Some of the fees are credited back to the VIP through a credit to the investment fund expense ratios and some are credited back directly to participants enrolled in Professional Management.

Individual Transaction Activity Fees

Fees for certain services and transactions that you elect will be deducted directly from your VIP account. These fees are reported on your quarterly benefit statement and on your account activity shown on the My Retirement Income website. Individual transaction activity fees are set forth in the table below.

Short-Term Redemption Fee	1.5 percent of the value of investment fund units sold in any investment fund transfer that occurs 15 or fewer calendar days from the date the units are purchased. Certain exceptions apply. See the discussion of Short-Term Redemption Rules in Section 1 above for more information about the fee.								
Loan Application Fee	\$50								
Returned Payment Fee	\$20. This fee will be assessed for any payment, either by check, money order, or direct debit that is returned to the VIP’s recordkeeper as unpaid.								
Expedited Check Delivery Fee	\$25 prior to 12/6/2017; \$15 effective for requests on or after 12/6/2017								
Investment Advice— Professional Management Program Quarterly Fee	<p>The quarterly fee is based on the amount of your VIP account balance, as follows:</p> <table border="1"> <thead> <tr> <th>VIP Account Balance</th> <th>Quarterly Fee</th> </tr> </thead> <tbody> <tr> <td>First \$100,000</td> <td>0.075%</td> </tr> <tr> <td>Next \$50,000</td> <td>0.050%</td> </tr> <tr> <td>Over \$150,000</td> <td>0.025%</td> </tr> </tbody> </table> <p>However, a portion of the quarterly fee will be credited back to you. Financial Engines Advisors, L.L.C. pays certain administrative fees to Conduent (the VIP’s recordkeeper) including with respect to the Professional Management Program. Boeing has negotiated with Conduent to have some of the fees credited back directly to participants enrolled in Professional Management. (The remainder of the fees are credited back to the VIP through a credit to the investment fund expense ratios). The credit you receive as a participant in the Professional Management Program will be made to your VIP account as soon as administratively feasible (typically three to four weeks after the quarterly fee is deducted).</p> <p>Note: Prior to January 1, 2018, the quarterly fee paid by Financial Engines to Conduent and credited back to you is equal to 30% of the quarterly fee you pay for Professional Management. Therefore, with respect to calendar quarters beginning prior to January 1, 2018, 30% of your quarterly fee will be credited back to you.</p>	VIP Account Balance	Quarterly Fee	First \$100,000	0.075%	Next \$50,000	0.050%	Over \$150,000	0.025%
VIP Account Balance	Quarterly Fee								
First \$100,000	0.075%								
Next \$50,000	0.050%								
Over \$150,000	0.025%								

Comparative Investment Fund Table

SECTION

The table below is designed to help you compare the investment options under the VIP. It includes performance information for each of the funds as well as performance information for a widely-recognized benchmark investment for each of the funds. This allows you to compare the performance of the VIP's investment funds with the performance of their benchmarks for the same time periods. Keep in mind that an investment fund's past performance is not necessarily an indication of how the investment fund will perform in the future. Investing involves risk, including the possible loss of principal.

The table also shows the total annual operating expenses for the investment options under the VIP. Total annual operating expenses are fees that reduce the rate of return of the investment option, such as fees for investment management, recordkeeping, trust and custody, audit, and other third-party and internal administrative fees directly related to the operation of the VIP and its trust. These fees reduce the investment return available to you and are shown in the table both as a percentage of the assets in the fund and on a per \$1,000 basis. You may multiply the percentage by your balance in an investment fund to estimate the annual fees associated with your balance in the fund. The cumulative effect of fees may substantially reduce the growth of your retirement savings. You can visit the Department of Labor's website for an example showing the long-term effect of fees at www.dol.gov/ebsa/publications/401k_employee.html.

For more information, including more current performance information for the investment funds, see the Fund Fact Sheets published after this document on the My Retirement Income website. You may access the Fund Fact Sheets on this website as follows:

- **On the Boeing Web:** Log on to my.boeing.com. Visit TotalAccess > Total Compensation > My Retirement Benefits > Manage My Retirement Income. Select Library at the top menu and then select Fund Information.
- **On the World Wide Web:** Log on to www.boeing.com/express using your BEMSID and your Boeing TotalAccess password. Visit Total Compensation > My Retirement Benefits > Manage My Retirement Income. Select Library at the top menu and then select Fund Information.

The Fund Fact Sheets, which are updated quarterly, provide the objectives, strategies, risks, portfolio turnover rate, performance, fees, and investment managers for each of the VIP's investment funds. You may request and obtain, free of charge, paper copies of the Fund Fact Sheets by calling Boeing TotalAccess at 1-866-473-2016 (request "Savings" when prompted). You may also call Boeing TotalAccess to request paper copies of the prospectus for the Boeing Stock Fund, financial statements or reports (if applicable), a statement of the value of a unit of each of the investment funds, and a list of the assets comprising the portfolio of each of the investment funds.

For a glossary of terms, including terms relevant to the VIP's investment funds, go to the Savings tab of the My Retirement Income website. Select the "+" sign by "Tools & Resources" to expand the menu, and then select Savings Glossary. The glossary is intended to help you understand your investment options.

Note that because the investment funds offered under the VIP are not mutual funds, they do not have ticker symbols. You can track the performance of the funds on the My Retirement Income website, but not via third party investment websites.

Information in table below is as of December 31, 2016, unless otherwise noted.

Name/Type of Option	Average Annual Total Return as of 12/31/16 (Net of Fees)				Benchmark ¹				Total Operating ^{2,3} Expenses	
	1 yr	5 yr	10 yr	Since Inception ⁴	1 yr	5 yr	10 yr	Since Inception ⁴	As a %	Per \$1,000 investment
Equity Funds										
S&P 500 Index Fund/ U.S.Large Cap Index	11.94%	14.63%	6.95%	N/A	11.96%	14.66%	6.95%	N/A	0.04%	\$0.40
					S&P 500 Index					
Russell 2000 Index Fund/ U.S. Small Cap Index	21.29%	14.48%	7.18%	N/A	21.31%	14.46%	7.07%	N/A	0.05%	\$0.50
					Russell 2000 Index					
U.S. Large Companies Fund/ U.S. Large Cap	5.71%	13.71%	N/A	10.44%	12.05%	14.69%	N/A	12.23%	0.31%	\$3.10
					Russell 1000 Index					
U.S. Small/Mid Companies Fund/ U.S. Small/Mid Cap	15.54%	12.92%	N/A	10.85%	17.59%	14.54%	N/A	12.20%	0.69%	\$6.90
					Russell 2500 Index					
International Index Fund/ Global All Cap Ex-U.S. Index	5.21%	5.56%	0.46%	N/A	4.41%	5.35%	1.22%	N/A	0.11%	\$1.10
					MSCIACWIIMI ex-U.S.Index					
International Companies Fund/ Global All Cap Ex-U.S.	2.38%	6.25%	0.03%	N/A	4.41%	5.35%	1.22%	N/A	0.60%	\$6.00
					MSCIACWIIMI ex-U.S.Index					
Global Equity Fund/ Global All Cap	4.50%	9.21%	N/A	6.64%	8.36%	9.61%	N/A	7.04%	0.68%	\$6.80
					MSCIACWIIMI Index					
Science & Technology Fund ⁵ / Technology Global All Cap	3.56%	16.68%	9.57%	N/A	13.56%	17.41%	10.42%	N/A	0.60%	\$6.00
					S&P North American Tech Sector Index					
Bond Funds										
Bond Market Index Fund/ U.S. Fixed Income Index	2.59%	2.20%	4.38%	N/A	2.65%	2.23%	4.34%	N/A	0.04%	\$0.40
					Bloomberg Barclays U.S Aggregate Bond Index					
Global Bond Fund/ Global Fixed Income	4.81%	0.39%	N/A	1.86%	2.09%	0.21%	N/A	1.87%	0.35%	\$3.50
					Bloomberg Barclays Global Aggregate Bond Index					
Target Date Funds										
Lifecycle Retirement Fund ⁶ / TargetDate Fund	7.41%	5.58%	4.91%	N/A	8.36%	9.61%	3.84%	N/A	0.31%	\$3.10
					MSCIACWIIMI Index					
Lifecycle 2020 Fund ⁶ / TargetDate Fund	7.43%	6.52%	4.14%	N/A	8.36%	9.61%	3.84%	N/A	0.34%	\$3.40
					MSCIACWIIMI Index					
Lifecycle 2025 Fund ⁶ / TargetDate Fund	7.54%	N/A	N/A	5.95%	8.36%	N/A	N/A	8.43%	0.35%	\$3.50
					MSCIACWIIMI Index					
Lifecycle 2030 Fund ⁶ / TargetDate Fund	7.66%	7.54%	3.88%	N/A	8.36%	9.61%	3.84%	N/A	0.36%	\$3.60
					MSCIACWIIMI Index					
Lifecycle 2035 Fund ⁶ / TargetDate Fund	7.69%	N/A	N/A	6.65%	8.36%	N/A	N/A	8.43%	0.37%	\$3.70
					MSCIACWIIMI Index					
Lifecycle 2040 Fund ⁶ / TargetDate Fund	7.72%	8.56%	3.73%	N/A	8.36%	9.61%	3.84%	N/A	0.39%	\$3.90
					MSCIACWIIMI Index					
Lifecycle 2045 Fund ⁶ / TargetDate Fund	7.68%	N/A	N/A	7.57%	8.36%	N/A	N/A	8.43%	0.39%	\$3.90
					MSCIACWIIMI Index					
Lifecycle 2050 Fund ⁶ / TargetDate Fund	7.62%	9.45%	N/A	8.51%	8.36%	9.61%	N/A	7.78%	0.40%	\$4.00
					MSCIACWIIMI Index					
Lifecycle 2055 Fund/ TargetDate Fund	7.51%	N/A	N/A	4.13%	8.36%	N/A	N/A	4.65%	0.41%	\$4.10
					MSCIACWIIMI Index					

Name/Type of Option	Average Annual Total Return as of 12/31/16 (Net of Fees)				Benchmark ¹				Total Operating ^{2,3} Expenses	
	1 yr	5 yr	10 yr	Since Inception ¹	1 yr	5 yr	10 yr	Since Inception ¹	As a %	Per \$1,000 investment
Other Funds										
Stable Value Fund ⁷ / U.S. Fixed Income Fund	2.22%	2.25%	3.06%	N/A	0.33%	0.12%	0.80%	N/A	0.30%	\$3.00
					BofAML U.S. Treasury Bill 3-month Index					
Balanced Index Fund ⁸ / S&P 500 Index, International Index, and Bond Market Index	6.30%	7.04%	4.49%	N/A	8.36%	9.61%	3.84%	N/A	0.06%	\$0.60
					MSCIACWIIMI Index					
Diversified Real Asset Fund/ Treasury Inflation Protected Securities, Equities and Commodities	14.99%	-2.02%	N/A	-0.27%	4.01%	0.70%	N/A	2.53%	0.59%	\$5.90
					Barclays U.S. 1–10 year TIPS Index					
Boeing Stock Fund/ Employer Stock Fund	7.47%	15.93%	5.62%	N/A	11.96%	14.66%	6.95%	N/A	0.04%	\$0.40
					S&P 500 Index					

1. In addition to the widely recognized benchmarks for each investment option published here, many of the funds have customized benchmarks. These benchmarks are a part of the process used by The Boeing Company Employee Benefit Investment Committee, which monitors the VIP's investment funds. The customized benchmarks are tailored to be more indicative of performance in relation to a fund's actual portfolio holdings and strategies. Information about the customized benchmarks, including performance information that is updated quarterly, is available on the Fund Fact Sheets on the My Retirement Income website.
2. Expenses are rounded up or down to the nearest dime.
3. Expenses provided are as of December 31, 2016. If the 2016 fees for any investment fund are updated, they will be reflected on the individual Fund Fact Sheets on the My Retirement Income website.
4. Funds showing "Since Inception" performance information have been in existence for less than 10 years. Inception dates for those funds may be found on the Fund Fact Sheets on the My Retirement Income website.
5. The Science & Technology Fund was removed from the VIP investment lineup on June 9, 2017. It is no longer available as an investment option.
6. Effective April 24, 2012, the five-year increment lifecycle funds were introduced and the existing 10-year increment lifecycle funds, including the Lifecycle Retirement Fund, were redesigned and customized to more closely reflect VIP participant demographics. The investment objectives of the 10-year increment lifecycle and Retirement Fund did not change, but the fund managers and the allocations among equity and fixed income investments were changed. These funds' performance before April 24, 2012, is a blend of the previous funds' performance and the newly redesigned and customized funds' performance.
7. The Stable Value Fund seeks to provide preservation of principal and a reasonably stable rate of return. The Stable Value Fund has a fixed crediting rate that is reset on a quarterly basis, and the daily equivalent of this quarterly crediting rate is paid daily to fund holders. The fund's performance is not guaranteed, and, therefore, investors in the fund could realize a loss. For additional information, please see the Stable Value Fund's Fund Fact Sheet.
8. As of April 6, 2010, the investment strategy of the fund was redesigned. Therefore, the performance data for periods before April 6, 2010, does not reflect the fund's current investment strategies. Additional information on the fund's current investment strategies may be found on the Fund Fact Sheets on the My Retirement Income website.

Please note that a short-term redemption fee of 1.5 percent is applied to the proceeds of the value of the units sold on any transfer from all investments in the VIP that occurs 15 or fewer calendar days from the date the units are purchased (excluding contributions, loan repayments, or rollover contributions).

