

2024 CONTRACT FACTS ISSUES IN FOCUS



Boeing Company 401(k) Growth Over Time

The latest company offer has the following 401(k) provisions:

- Automatic contribution (SCRC) of 4% of wages for all IAM workers.
- In addition, for workers who make contributions on their own, the company will match those employee contributions dollar for dollar, up to 8% of pay. (So if you put in 5%, they will put in 5%. If you put in 8%, they will put in 8%. If you put in 10%, they will put in 8%. If you contribute nothing, you will not receive a match.)
- The company also allows the AMPP bonus to be deferred to your 401(k). The AMPP now has a guaranteed payout of at least 4% per year. You may choose to deposit any portion of that money into your 401(k), growing your retirement nest egg, and saving money on income taxes.
- Upon ratification, all employees will also receive a \$12,000 ratification bonus. Any portion of this may be deferred into your 401(k) as well, to grow your nest egg even further.

All in, if you contribute 8% of pay to receive the full company match, and choose to defer your 4% AMPP as well, your 401(k) will receive contributions of **24% of pay per year**. That will go a long way in achieving a financially secure retirement! Below are a few examples.*

** Note that many assumptions must be made in estimating retirement income. For this exercise, we assume simple investment earnings of 5% per year, and wage growth of 2.5% per year, every year, after the GWIs of the current offer. We assume no promotions, leaves of absence, or loans taken out of the 401(k). We assume that the employee defers 8% of pay as well as the AMPP payment every year (at 4%) for 25 years, and that the company's contribution rates remain the same for the life of the agreement. We assume that \$2,000 of the one-time \$12,000 ratification bonus is also deferred into the 401(k).*

(Continues)

Labor Grade 4 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$604,521
Total Employee	\$301,261
Total Investment Earnings	\$714,345
Total	\$1,620,127
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$64,805

Labor Grade 4 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$648,180
Total Employee	\$323,090
Total Investment Earnings	\$849,869
Total	\$1,821,139
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$72,846

Labor Grade 6 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$640,302
Total Employee	\$319,151
Total Investment Earnings	\$758,338
Total	\$1,717,792
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$68,712

Labor Grade 6 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$685,535
Total Employee	\$341,767
Total Investment Earnings	\$898,733
Total	\$1,926,035
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$77,041

Labor Grade 8 at Minimum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$682,373
Total Employee	\$340,187
Total Investment Earnings	\$820,822
Total	\$1,843,382
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$73,735

Labor Grade 8 at Maximum Rate, after 25 Years

Estimated 401(k) Money in Retirement	
	Total Balance in Retirement
Total Company (including AMPP deposits)	\$723,469
Total Employee	\$360,734
Total Investment Earnings	\$948,324
Total	\$2,032,527
<i>Annual 401(k) Income, Spending down 4% per year</i>	
	\$81,301

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