



# MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement is made on behalf of Boeing UK<sup>1</sup> pursuant to section 54(1) of the Modern Slavery Act 2015. It sets out the steps taken by Boeing UK during financial year ending 31 December 2017 to prevent modern slavery and human trafficking in its business and supply chains.

## INTRODUCTION

Boeing views human dignity and freedom from oppression as fundamental rights in a principled and productive work environment. It is from this set of values that Boeing categorically opposes modern slavery, human trafficking, forced labour and child labour, and wholly supports the objectives of legislation designed to eradicate these crimes, including the Modern Slavery Act 2015.

## PRINCIPLES

- We do not tolerate modern slavery, forced or child labour, nor deal with businesses that do.
- We expect the same of our partners and suppliers, in our worldwide supply chain.
- We act with speed should any audit or accusation uncover violation of these principles.

## BOEING'S BUSINESS AND SUPPLY CHAINS

Boeing is the world's leading aerospace company and the largest manufacturer of commercial and military aircraft, with capabilities in rotorcraft, electronic and defence systems, missiles, satellites, launch vehicles and advanced information and communication systems. Boeing has a long tradition of aerospace leadership and innovation. The company continues to expand its product line and services to meet emerging customer needs. Its broad range of capabilities includes creating new, more efficient members of its commercial airplane family; designing, building and integrating military platforms and defence systems; creating advanced technology solutions; and arranging innovative

financing and service options for Customers. Boeing UK employs more than 2,200 people at numerous sites across the UK and Ireland and is experiencing solid growth. Boeing's long-standing relationship with British industry, the Armed Forces and the aviation industry dates back to the 1930s. Since 2015, Boeing has spent more than £5.6 billion with more than 250 UK suppliers.

## POLICIES AND PROCEDURES

Boeing maintains internal policies and procedures to tackle modern slavery and human trafficking in its business and supply chain.

Boeing has adopted and enforces a Code of Conduct which requires every employee to certify adherence to the highest standards of ethical business practices annually. Further, Boeing's Combating Trafficking in Persons Compliance Plan, which applies to all Boeing UK subsidiaries, sets out Boeing's requirements for the detection and prevention of human trafficking. It details an awareness programme and the process for employees to report suspected or actual modern slavery and human trafficking violations without fear of retaliation. Boeing has adopted a Combating Trafficking in Persons procedure which outlines the responsibilities of all employees and contractors to comply with the laws, regulations and Boeing policies prohibiting modern slavery and human trafficking and to immediately report employees, subcontractors or agents engaged in or believed to be engaged in trafficking or trafficking-related activity. Boeing also maintains policies and procedures to encourage employees to report concerns and seek guidance, using confidential and anonymous methods.

1. 'Boeing UK' means The Boeing Company's wholly owned subsidiaries in the UK.

## EFFECTIVE CONTROLS AND MEASURES

Boeing has introduced a controls system to ensure compliance with internal policies and procedures in place concerning modern slavery and human trafficking.

Boeing's Combating Trafficking in Persons procedure identifies risk area owners in functions, including Human Resources and Supply Chain Management. These risk area owners are obliged to develop compliance and controls procedures within their delegated business areas, incorporating elements such as adherence to company policy, procedure, and documentation retention. Annually, these risk area owners are required to provide a documented self-assessment to demonstrate this compliance, together with a signed annual certification.

Boeing maintains internal accountability standards and procedures for employees or contractors for failing to meet company standards regarding modern slavery and human trafficking.

Boeing performs initial and ongoing vetting of their suppliers to establish actions and attitudes towards modern slavery and human trafficking.

Boeing includes as standard a Compliance with Law clause in its general Terms and Conditions. Suppliers are required to ensure compliance with applicable statutes, government rules, orders, and regulations pertaining to human rights and eradicating modern slavery and human trafficking (including compliance with the Modern Slavery Act 2015).

This contractual obligation complements the standard Code of Basic Working Conditions and Human Rights) clause, requiring suppliers to comply with basic working conditions and human rights laws of the jurisdictions applicable to their contract performance. Boeing further encourages suppliers to adopt and enforce concepts similar to those published in the [Boeing Code of Basic Working Conditions and Human Rights](#).

## TRAINING AND AWARENESS

Boeing provides modern slavery and human trafficking training to employees and management who have direct responsibility for supply chain management, particularly with respect to mitigating risks within the supply chains of products. The training provides an overview of human trafficking and identifies suspect behaviours Boeing employees should be mindful of when visiting suppliers.

Boeing provides external awareness by communicating its supply chain human trafficking guidance through the Boeing Code of Basic Working Conditions and Human Rights and via the [Doing Business with Boeing](#) website and by referencing the code and Boeing's standards in supplier contracts.



## SPECIFIC STEPS TAKEN DURING FINANCIAL YEAR

The standard General Provisions used by Boeing UK entities Boeing Defence UK Limited and Continental DataGraphics Limited have been amended to include specific mention of the Modern Slavery Act 2015. The clause prohibits suppliers from engaging in any practice or omitting to do any act that amounts to modern slavery as defined under the Modern Slavery Act 2015. The clause further compels the supplier to conduct proper checks on its own suppliers and sellers to ensure that they comply with the Modern Slavery Act 2015, and obliges suppliers to immediately notify breaches or suspected breaches of its obligations under the clause.

The vetting procedure for the on boarding and monitoring of suppliers to the Boeing UK business was also updated for Boeing Defence UK Limited and Boeing International Enterprise Services (covering suppliers supporting Government prime contracts, and also for UK based internal requirements). Suppliers are now requested to formally demonstrate how they tackle modern slavery and human trafficking within their supply chains, and to show their compliance with the Modern Slavery Act 2015.

A review of internal training was carried out and training on modern slavery and human trafficking was made available to a wider group of Boeing UK employees, rather than those who only have direct responsibility for supply chain management.

Boeing UK prepared for its first annual subsidiary self-assessments required by Boeing's Combating Trafficking in Persons procedure which was issued in 2016. The self-assessments are collated and further analysed at a corporate level to ensure compliance across the group.

## NEXT STEPS

Boeing is constantly re-examining its capabilities and processes to ensure that the company is as strong and vital as its heritage. Boeing UK has developed a Supply Chain Strategic Council which will bring matters of modern slavery and human trafficking to the forefront. Over the coming year, this team will endeavour to:

1. Adopt corporate tools to manage and measure adherence to modern slavery issues.
2. Implement specific processes to ensure that suppliers continue to show their compliance with the Modern Slavery Act. This will require specific data enabling a more robust analysis of supplier activity within their supply chains.
3. Encourage even greater involvement in modern slavery initiatives from teams across Boeing UK.
4. Ensure a Boeing UK presence and participation at external modern slavery events and workshops.
5. Use cross functional senior management boards to share areas of best practice and issues.
6. Move towards making internal training mandatory for a wider pool of employees, and not just for those within specific functions relating to supplier access and management.

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