



MODERN SLAVERY STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018



This statement is made on behalf of Boeing UK¹ pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”). It sets out the activities taken by Boeing UK during the financial year ending 31 December 2018 to prevent modern slavery and human trafficking in its business and supply chains, as well as its continuing commitments.

Boeing UK views liberty, human dignity and freedom from oppression as fundamental rights. Boeing UK 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 Act.

¹ 'Boeing UK' means Boeing Defence UK Limited, Boeing United Kingdom Limited, Boeing Commercial Aviation Services Europe Limited and Aviall UK, Inc.



Boeing UK's Business and Supply Chains

Boeing has partnered with UK Government and businesses for more than 80 years and has a long tradition of aerospace leadership and innovation, investing nearly £200 million in infrastructure projects, growing the local aerospace sector, creating jobs and driving innovation for mutual benefit. Between 2015-18, Boeing has spent more than £7.6 billion with UK suppliers. 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.

Principles

Boeing is committed to taking steps to eradicate modern slavery risks within its business operations and supply chains. It does not tolerate any form of modern slavery, servitude, forced labour, exploitation of children or other persons, debt bondage, or deceptive recruiting for labour or services. Boeing expects the same of its partners and suppliers in its worldwide supply chain. The company will act with speed should any audit or accusation uncover a violation of these principles.

Boeing's commitment is embodied in its policies and procedures, including the Boeing Code of Conduct, which charts its zero tolerance approach to modern slavery and human rights violations.





Effective Measures and Controls

Boeing UK has a well-established controls system to ensure compliance with internal policies and procedures relating to modern slavery and human trafficking.

Boeing UK's Combating Trafficking in Persons procedure identifies risk area owners in functions, including Human Resources and Supply Chain Management. These risk area owners have an ongoing obligation to incorporate elements such as adherence to company policy, procedure, and documentation retention within their delegated business areas. Supporting this activity, these risk area owners are required to provide an annual documented self-assessment demonstrating compliance, together with a signed annual certification.

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

Boeing UK includes as standard a clause prohibiting suppliers from engaging in any practice or omitting to do any act or thing that amounts to modern slavery as defined under the Act and requires suppliers to adopt and enforce similar obligations to those embodied in Boeing's Code of Basic Working Conditions and Human Rights. The clause further compels the supplier to conduct proper checks on its own suppliers to ensure that they comply with the Act, and obliges suppliers to immediately notify breaches or suspected breaches of its obligations under the clause. Under this clause, Boeing UK has the right to consider any contraventions of law relating to basic working conditions and human rights as a breach of contract and accordingly, it may elect to cancel any open orders with such a supplier.





Training and Awareness

Boeing UK 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 those product supply chains. The training provides an overview of human trafficking and identifies suspect behaviours Boeing UK employees should be mindful of when visiting suppliers.

Boeing UK promotes 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 UK's standards in supplier contracts.





Completed Goals

Since first publishing its statement, Boeing UK has:

Updated the standard general Terms & Conditions to include specific obligations imposed by the Act, mechanisms to verify compliance and the right to treat any contraventions of law relating to basic working conditions and human rights as a breach of contract;

Revised its supplier vetting procedure to request information relating to adherence with the Act within its supply chains;

Publicised its standard internal training on modern slavery to all departments outside of those directly responsible for supplier management and procurement;

Continued to meet the internal self-assessment obligations relating to modern slavery and human trafficking; and

Shared best practice initiatives through the creation of cross-functional management boards.

Anna Keeling
Director of Boeing Defence UK Limited

Sanjam Khurana
Director of Boeing United Kingdom Limited

Continuing Commitments

Boeing UK is committed to maintaining the integrity of its supply chains, and ensuring that both its teams and its suppliers assign an equal level of importance to their operations. To help in achieving this, Boeing will execute the following activities and behaviours:

Monitor proposed reforms to the Act to ensure continued compliance;

Promote training and awareness within teams to help in highlighting risks and issues; and

Expand the scope of cross-functional information sharing.

Brian Karpel
Director of Aviall UK, Inc.

Sir Michael Arthur
Director of Boeing Commercial and Aviation Services Europe Limited