



Modern Slavery Statement 2020

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 2020 to identify, prevent and mitigate modern slavery and human trafficking in its own operations, and supporting 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 all forms of modern slavery (including forced labour, debt bondage, trafficking in persons or animals, domestic slavery, deceptive recruitment practices, and use of threats or coercion), human trafficking, forced labour and child labour, and wholly supports the objectives of legislation designed to eradicate these crimes, including the Act.

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 2015-2020, Boeing has spent more than £11 billion with UK suppliers. The Boeing Company continues to expand its product line and services to meet emerging customer needs.

Boeing UK provides a broad range of capabilities including: supporting and sustaining commercial and military aircraft, designing, building and integrating military platforms and defence systems, creating advanced technology solutions, developing and manufacturing components for new, more efficient members of Boeing's commercial airplane family, and arranging innovative financing and service options for customers.

Principles

Boeing is committed to taking steps to identify and eradicate modern slavery risks within its business operations and supply chains. 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 infringements.

Boeing has established an enterprise level procedure to govern Boeing's compliance with the U.S. Federal Acquisitions Regulation (FAR) on Combatting Trafficking in Persons. To support companies obligations under the FAR, Boeing uses a robust third party tool created by a supply chain risk management software provider (FRDM) to identify risks in its supply chain, enabling Boeing to engage with suppliers to promote awareness and challenge potential or actual infringements.

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

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's Combatting Trafficking in Persons procedure identifies risk area owners in functions, including 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 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.

Being able to identify people who have been subjected to modern slavery is an important step in Boeing achieving its goal to de-risk its supply chain. Staff are encouraged to be vigilant when engaging with suppliers for red flag indicators, for example people who appear to be under excessive control by another, are not able to move or interact freely, appear frightened or withdrawn, or do not appear to have the appropriate equipment or training for the job in hand.

When assessing supplier proposals, supply chain personnel are also advised to be aware of suspiciously low pricing, or unrealistically speedy response times and suggested contract completion dates. Within the well established markets and heavily regulated industries that Boeing UK supports, such activity from suppliers (especially those new to the market) would be regarded as a red flag requiring inquiry or investigation.

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

Completed Goals

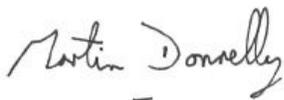
Since first publishing its statement, Boeing UK has:

- Updated its 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 onboarding supplier vetting procedure to request information relating to adherence with the Act within its supply chains;
- Promoted its standard internal training on modern slavery to all departments outside of those directly responsible for supplier management and procurement;
- Completed an annual internal self-assessment to ensure its obligations relating to modern slavery and human trafficking have been met;
- Investigated the possibility of adopting external tools to audit the Supply Chain and identify geographic areas which heighten Modern Slavery risks; and
- Monitored proposed amendments to the obligations of the Act.

Continuing and Future Commitments

Boeing UK is committed to ensuring high standards of human rights within its supply chains. To help achieve this, Boeing commits to carrying out the following activities:

- Promote training within teams to help in highlighting modern slavery risks and issues in the supply chain;
- Expand the scope of cross-functional information sharing;
- As one of the 34 strategic suppliers to the UK Government, Boeing UK will be supporting and completing the Modern Slavery Assessment Tool, and reviewing the recommendations produced;
- Boeing Defence UK Limited continues to be a signatory of the [UK Prompt Payment Code](#), ensuring suppliers are paid in accordance with UK Government requirements;
- Monitor the UK supply chain for human trafficking in line with the Boeing enterprise approach;
- In support of the Public Services (Social Value) Act 2012, Boeing UK is flowing the social value themes to its supply chain, which include measures to reduce modern slavery; and
- Assess the output from the FRDM tool. Evaluate how the data collected can be used in the UK environment, and support Boeing UK's aspiration to be an industry leader in combatting modern slavery.



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