



## Modern Slavery Statement 2021

This statement is made on behalf of Boeing UK<sup>1</sup> 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 2021 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, 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, including:

- £11B spent with our UK supply chain between 2015 and 2020;
- 21,000 people employed directly and in the Tier 1 supply chain;
- 30 key Boeing and customer sites across the UK;
- 25% increase in bid opportunities for UK companies;
- £21.4M spent promoting UK innovation, a 250% increase since 2015; and
- £3.5M spent on STEM (science, technology, engineering and maths) and veteran support projects since 2011.

Boeing has invested £200 million in major infrastructure projects at RAF Lossiemouth, Sheffield Business Park, and Gatwick Airport, supporting the growth of the local aerospace sector, creating jobs and driving innovation for mutual benefit. Further, Boeing established the Office of UK Industrial Collaboration in Seattle, Washington, to help companies export from the UK to Boeing in the United States, as well as a Research and Development programme with the Advanced Forming Research Centre at the University of Strathclyde under the Boeing Scotland Alliance. The Boeing Company continues to explore local opportunities 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 Boeing’s commercial aircraft, and arranging innovative financing and service options for customers.

### Principles and Ethics

Boeing is committed to taking steps to identify and eradicate modern slavery risks within its business operations and supply chains. Boeing will act with speed should any audit or

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<sup>1</sup> Boeing UK includes Boeing United Kingdom Limited, Boeing Defence UK Limited and Boeing Commercial Aviation Services Europe Limited

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.

The UK Government's Supplier Code of Conduct requires suppliers to comply with all applicable human rights and employment laws in the jurisdictions in which they work. This includes complying with the provisions of the Act. In addition, UK government suppliers must have robust means of ensuring that subcontractors in their supply chain also comply. Boeing expects this same level of commitment from its worldwide supply chain partners and suppliers.

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

Further, Boeing is establishing an enterprise-level Human Rights Council to bring together activities and best practices from across its global operations.

### **Effective Measures and Controls**

Boeing UK has adopted well-established control systems relating to modern slavery and human trafficking to ensure compliance with internal policies, procedures and applicable laws.

Boeing's Compliance with Anti-Human Trafficking and Modern Slavery Regulations procedure identifies risk area owners in functions, including its supplier management organisation, who have an ongoing obligation to develop controls for human trafficking risk areas. Boeing UK appoints local risk area owners who prepare documented self-assessments, together with a signed certification, on an annual basis.

Boeing UK vets its suppliers as part of its onboarding process to establish actions and attitudes towards modern slavery and human trafficking, which are subsequently monitored as part of Boeing UK's ongoing supplier relationship management.

Boeing UK includes a contractual clause in its general provisions which prohibits 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](#). This clause also requires suppliers to conduct proper checks on their own suppliers for compliance with the Act and immediately notify Boeing of actual or suspected breaches of the sub-supplier's obligations. Under this clause, Boeing UK has the right to treat any contraventions of law relating to basic working conditions and human rights as a fundamental breach of contract and accordingly, it may elect to cancel any open orders with such a supplier.

## **Training and Awareness**

Boeing provides modern slavery and human trafficking training to employees and management across the enterprise 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 activities and identifies suspect behaviours Boeing employees should be mindful of when visiting suppliers. This training is fully adopted by Boeing UK, with all supply chain personnel required to undertake it on an annual basis.

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. Such indicators include employees or personnel who appear to be under excessive control by another, are unable 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. Further, Boeing UK employs special monitoring measures for suppliers suspected or implicated in other areas of bad business practice such as counterfeit goods and trading in conflict minerals.

When assessing supplier proposals, Boeing's supply chain personnel are encouraged to flag suspiciously low pricing, or unrealistically fast response times and suggested contract completion dates. Within the well established markets and heavily regulated industries that Boeing operates, such activity from potential suppliers (especially those new to the market) would be challenged.

Boeing UK promotes external advocacy and awareness by communicating its supply chain human trafficking guidance through the [Boeing Code of Basic Working Conditions and Human Rights](#), which is referenced in Boeing UK's general provisions, and the [Doing Business with Boeing](#) website.

## **Completed Goals**

Since first publishing its statement, Boeing UK has:

- Updated its standard general provisions 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 fundamental breach of contract;
- Revised its supplier onboarding procedure to require the provision of information relating to adherence with the Act within the supplier's own supply chain;
- Expanded its standard internal training on modern slavery to all functions and business units, outside of those directly responsible for supplier management and procurement;
- Completed annual self-assessments to ensure its obligations relating to modern slavery and human trafficking have been met;
- Explored the adoption of external tools to audit the Supply Chain and identify geographic areas which heighten modern slavery risks;
- Monitored proposed amendments to its obligations under the Act; and
- Utilised the UK Government's Modern Slavery Assessment Tool, and reviewed the output against Boeing UK's existing activities.

## **Continuing and Future Commitments**

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

- Promote training across its local workforce to assist in highlighting modern slavery risks and issues in the supply chain;
- As a [strategic supplier](#) to the UK Government, Boeing UK will continue to support and complete the Modern Slavery Assessment Tool, and review the recommendations produced;
- Boeing UK has been a signatory to the [UK Prompt Payment Code since 2019](#), and remains committed to ensuring that suppliers are paid in accordance its requirements;
- Monitor its supply chain for human trafficking in line with the Boeing enterprise approach;
- In support of the Public Services (Social Value) Act 2012, Boeing UK continues to flow the social value themes to its supply chain, which include measures to reduce modern slavery;
- Analyse the output from the FRDM tool to assess how the data collected can be used locally, supporting Boeing UK's aspiration to be an industry leader in combatting modern slavery;
- Integrate and utilise the JOSCAR tool to identify broader risk areas within its supply chain; and
- Establish a UK Compliance and Risk Management Council, with oversight and responsibility for matters including the identification and elimination of modern slavery and human trafficking.

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